REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS

INVER ENERGY LIMITED

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

CONTENTS

DIRECTORS AND OTHER INFORMATION

Board of Directors

Mr CP O'Callaghan
Mr R Brislane
Mr F O'Gorman
Mr N Murray

Secretary and Registered Office

Mr CP O'Callaghan
River House
Blackpool Business Park
Blackpool
Cork

Registered Number: 373915

Solicitors

William Fry
2 Grand Canal Square
Dublin 2

McGuire O'Halloran
5 Lapp's Quay
Cork

Weightmans LLP
India Buildings
Water Street
Liverpool L2 OGA
England

Bankers

Bank of Ireland
2 Burlington Plaza
Burlington Road
Dublin 4

BNP Paribas (Suisse) SA
Place de Hollande 2
1204, Geneva
Switzerland

Barclays Bank plc
The North Colonnade
7th Floor
Canary Wharf
London E14 4BB

Independent Auditor

Deloitte
Chartered Accountants and Statutory Audit Firm
6 Lapp's Quay
Cork

DIRECTORS' REPORT

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

Principal activities and review of the business
The principal activities of the group continue to be the importation and distribution of oil and coal products.

The group manages its business by matching the pricing risk between sales and oil purchases using oil derivatives and forward contracts. The actual receipt of oil shipments from suppliers does not necessarily match the delivery dates of the related oil to customers. Under historical cost accounting principles the timing differences between the receipt of oil from suppliers and related deliveries to customers result in fluctuations in gross profit between different accounting periods. To eliminate these fluctuations the financial statements are prepared in accordance with fair value/mark-to-market principles that more accurately reflect the performance of the business in the accounting year. This includes marking to market year end inventory values.

In 2016 the group focused on sales volumes and revenues as it expanded its product line and customer portfolio. This was achieved through sales volume growth in both the UK and Ireland across all segments. The group continued to grow its presence in the Irish forecourt market and opened its second company owned forecourt in 2016. While sales volumes increased year-on-year sales revenues declined due to the fall in the oil commodity price. The group had an operating profit of €6,321,323 in 2016 (2015: €4,696,462). The financial performance of the group in 2016 was in line with director's expectations and the outlook for 2017 is in line with 2016 performance.

Profits, dividends and reserves

Profit before taxation for the financial year amounted to €5,736,295 (2015: €3,702,138). Dividends of €250,000 were paid in 2016 by Inver Energy Limited (2015: €100,000).

Financial risk management
The group's operations expose it to a variety of financial risks that include the effects of changes in debt, market prices, foreign exchange risk, credit risk, liquidity and interest rate risk. The group has in place a risk management programme that seeks to manage the financial exposures of the group by monitoring levels of debt finance and the related finance costs. The policies are set by the board of directors and are implemented by the group's management team including executive directors.

Price risk
The group is exposed to oil commodity price risk as a result of its operations. The group's policy on mitigating the effect of oil price fluctuations is to match the pricing basis of its sales and oil purchases and to use, where appropriate, oil swaps and future contracts.

Foreign exchange risk
The group is exposed to foreign exchange risks in the normal course of business, principally on purchases in US dollars. The group's policy on mitigating the effect of this currency exposure is to match the currency basis of its sales and oil purchases and to use, where appropriate, forward foreign exchange contracts.

Credit risk
The group has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk
The group actively maintains a mix of long-term and short-term debt finance that is designed to ensure the group has sufficient available funds for operations and planned expansions.

Interest rate and cash flow risk
The group has both interest bearing assets and interest bearing liabilities. Cash balances are the only interest bearing asset. The group has a policy of maintaining debt using a combination of variable and fixed rate interest rates, and of using invoice discounting facilities for debtors at a variable interest rate, to ensure some certainty of future cash flows.

Principal risks and uncertainties
In the directors' opinion, there are no other significant risks or uncertainties requiring disclosure other than as noted above.

DIRECTORS' REPORT - continued

Future developments
The group will continue to add forecourts to the Inver brand and develop its forecourt offering further.

Research and development
The group did not engage in any research and development activities during the year (2015: €Nil).

Directors and secretary
The directors and secretary who served at any time during the financial year, were as follows:

Mr CP O'Callaghan (Director and Secretary)
Mr R Brislane
Mr F O'Gorman
Mr N Murray

In accordance with the Constitution the directors are not required to retire by rotation.

Directors' and secretary's interests in shares
The beneficial interests of the directors and secretary in office at 31 December 2016 in the share capital of the company's parent company, World Fuels Market Limited, and in the group at 1 January 2016 and 31 December 2016 were:

	Number of Ordinary €1.27 shares 31 December 2016	Number of Ordinary €1.27 shares 1 January 2016
World Fuels Market Limited		
Chris O'Callaghan	500	500

	Number of Ordinary €0.002 shares 31 December 2016	Number of Ordinary €0.002 shares 1 January 2016
Inver Energy Limited		
Directors:		
Chris O'Callaghan	-	-
Rory Brislane	10,000	10,000
Fintan O'Gorman	-	-
Neil Murray	-	-
Secretary:		
Chris O'Callaghan	-	-

Key performance indicators (K.P.I.s)
The group is result orientated. Actual performance is measured against budgeted performance considering the impact of world oil prices and hedging strategy to minimise such risks. The main KPIs used by the group to measure performance are gross margin, earnings before interest and tax, evaluation of working capital, capacity, litres sold and cashflow.

Events after the balance sheet date
There have been no significant events affecting the group since the year end.

Going concern
The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

DIRECTORS' REPORT - continued

Accounting records
The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 regarding the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The group's accounting records are maintained at the group's registered office at River House, Blackpool Business Park, Blackpool, Cork.

Auditor
The auditor, Deloitte, Chartered Accountants and Statutory Audit Firm, continues in office in accordance with Section 383(2) of the Companies Act 2014.

Disclosure of information to auditors
So far as each of the directors in office at the date of approval of the financial statements is aware:

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

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

Audit committee
The company has decided not to establish an audit committee pursuant to Section 167 of the Companies Act 2014. The reasons for that decision are because:

- the board is actively involved in reviewing and overseeing the operations of the company;
- the board includes directors who have the requisite financial expertise; and
- the board includes non-executive directors.

Directors' compliance statement
The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations, being company law that attracts a category 1 or 2 offence and all tax law.

The directors confirm that they commenced the following procedures in order to comply with the directors' relevant obligations since the end of the financial year:

a) the drawing up of a "compliance policy statement" setting out the company's policies (that, in the directors' opinion, are appropriate to the company) respecting compliance by the company with its relevant obligations;
b) the putting in place of appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the company's relevant obligations (i.e the arrangements or structures provide reasonable assurance that the company has compiled in all material respects); and
c) the directors confirm that they will conduct a review of the arrangements and structures in relation to compliance by the company with its relevant obligations in 2017.

Approved by the Board and signed on its behalf by:

Chris O'Callaghan
Director

Rory Brislane
Director

Date: 10/1/17

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting 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 assets, liabilities and financial position of the group and company as at the financial year end date and of the profit or loss of the group for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the group and parent company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

Deloitte.

Deloitte
Chartered Accountants &
Statutory Audit Firm

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVER ENERGY LIMITED

We have audited the consolidated financial statements of Inver Energy Limited for the financial year ended 31 December 2016 which comprise Group Financial Statements: the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement, the Parent Company Financial Statements: the Company Balance Sheet, the Company Statement of Changes in Equity and the related notes 1 to 29. The relevant financial reporting framework that has been applied in the preparation of group and parent company financial statements is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 auditor
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 otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 group and parent 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 Reports and Consolidated Financial Statements for the financial year ended 31 December 2016 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 group and parent company financial statements give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2016 and of the profit of the group for the year then ended; and
- the group and parent company financial statements have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the parent company were sufficient to permit the financial statements to be readily and properly audited.
- The parent company balance sheet is in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Kevin Butler
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Cork

Date: 10/5/17

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Financial year ended 31 December 2016

	Notes	2016 €	2015 €
CONTINUING OPERATIONS			
TURNOVER	3	485,909,563	528,072,777
Cost of sales		(465,969,864)	(511,025,073)
GROSS PROFIT		19,939,699	17,047,704
Distribution costs		(3,380,699)	(3,427,043)
Administration expenses		(10,556,710)	(9,003,199)
Operating income	4	319,033	79,000
OPERATING PROFIT		6,321,323	4,696,462
Share of joint venture operating gains		1,195,613	1,182,695
		7,516,936	5,879,517
Finance costs (net)	5	(1,780,641)	(2,177,019)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	5,736,295	3,702,138
Taxation on profit on ordinary activities	7	(826,343)	(428,741)
PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO EQUITY SHAREHOLDERS		4,909,952	3,273,397

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Financial year ended 31 December 2016

	2016 €	2015 €
Profit for the financial year	4,909,952	3,273,397
Exchange differences on retranslation of subsidiary undertakings	(677,878)	255,831
Total comprehensive income attributable to equity shareholders	4,232,074	3,529,228

CONSOLIDATED BALANCE SHEET
As at 31 December 2016

	Notes	2016 €	2015 €
FIXED ASSETS			
Tangible assets	9	14,644,717	14,167,827
Intangible assets	10	188,774	107,918
Financial assets	11	3,409,431	2,421,571
		18,242,922	16,697,316
CURRENT ASSETS			
Stocks	12	32,503,238	20,479,704
Debtors	13	44,097,450	42,093,127
Cash at bank and in hand		10,201,087	13,968,820
		86,801,775	76,541,651
CREDITORS - amounts falling due within one year	14	(70,501,744)	(64,048,036)
NET CURRENT ASSETS		16,300,031	12,493,615
TOTAL ASSETS LESS CURRENT LIABILITIES		34,542,953	29,190,931
CREDITORS - amounts falling due after more than one year	15	(5,896,621)	(4,380,567)
PROVISION FOR LIABILITIES	16	(674,144)	(820,250)
NET ASSETS		27,972,188	23,990,114
CAPITAL AND RESERVES			
Called up share capital presented as equity	18	200	200
Capital contribution		2,050,091	2,050,091
Profit and loss account		25,921,897	21,939,823
SHAREHOLDERS' FUNDS		27,972,188	23,990,114

The financial statements were approved by the board of directors and authorised for issue on 16/5/17. They were signed on its behalf by:

CP O'Callaghan
Director

Rory Brislane
Director

Date: 16/5/17

COMPANY BALANCE SHEET
As at 31 December 2016

	Notes	2016 €	2015 €
FIXED ASSETS			
Tangible assets	9	5,522,557	2,652,239
Intangible assets	10	172,157	76,876
Financial assets	11	914,069	793,885
		6,608,783	3,523,000
CURRENT ASSETS			
Stocks	12	21,004,517	12,306,492
Debtors	13		
- Due within one year		41,713,748	48,495,301
- Due after one year		2,670,740	1,494,583
Cash at bank and in hand		7,972,183	6,126,184
		73,361,188	68,422,560
CREDITORS - amounts falling due within one year	14	(54,606,116)	(52,563,953)
NET CURRENT ASSETS		18,755,072	15,858,607
CREDITORS – amounts falling due after more than one year	15	(4,388,083)	(1,738,632)
NET ASSETS		20,975,772	17,642,975
CAPITAL AND RESERVES			
Called up share capital presented as equity	18	200	200
Capital contribution		2,050,091	2,050,091
Profit and loss account		18,925,481	15,592,684
SHAREHOLDER'S FUNDS		20,975,772	17,642,975

The financial statements were approved by the board of directors and authorised for issue on 19/5/17. They were signed on its behalf by:

CP O'Callaghan
Director

Rory Brislane
Director

Date: 19/5/17

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2016

	Called up share capital €	Capital contribution €	Profit and loss account €	Total €
AT 31 DECEMBER 2014 AND 1 JANUARY 2015	200	2,050,091	18,510,595	20,860,886
Total comprehensive income	-	-	3,273,397	3,273,397
Dividend paid on equity shares (note 26)	-	-	(100,000)	(100,000)
Translation reserve	-	-	255,831	255,831
AT 31 DECEMBER 2015	200	2,050,091	21,939,823	23,990,114
Total comprehensive income	-	-	4,909,952	4,909,952
Dividend paid on equity shares (note 26)	-	-	(250,000)	(250,000)
Translation reserve	-	-	(677,878)	(677,878)
AT 31 DECEMBER 2016	200	2,050,091	25,921,897	27,972,188

COMPANY STATEMENT OF CHANGES IN EQUITY

	Called up share capital €	Capital contribution €	Profit and loss account €	Total €
AT 31 DECEMBER 2014 AND 1 JANUARY 2015	200	2,050,091	13,395,018	15,445,309
Total comprehensive income	-	-	2,297,666	2,297,666
Dividend paid on equity shares (note 26)	-	-	(100,000)	(100,000)
AT 31 DECEMBER 2015	200	2,050,091	15,592,684	17,642,975
Total comprehensive income	-	-	3,582,797	3,582,797
Dividend paid on equity shares (note 26)	-	-	(250,000)	(250,000)
AT 31 DECEMBER 2016	200	2,050,091	18,925,481	20,975,772

CONSOLIDATED CASH FLOW STATEMENT
Financial year ended 31 December 2016

	Notes	2016 €	2015 €
Net cash inflow/(outflow) from operating activities	19	19,523,775	(14,290,912)
Cash flows from investing activities			
Purchase of tangible assets	9	(3,402,208)	(2,230,334)
Purchase of intangible assets	10	(150,004)	(94,020)
Net cash flows from investing activities		(3,552,212)	(2,324,354)
Cash flows from financing activities			
Dividends paid	26	(250,000)	(100,000)
Interest paid		(1,724,512)	(2,061,805)
Movement on bank loans		1,389,678	1,111,317
Net cash flows from financing activities		(584,834)	(1,050,488)
Net increase/(decrease) in cash and cash equivalents		15,386,729	(17,665,754)
Cash and cash equivalents at beginning of financial year		(23,299,693)	(5,226,972)
Effect of foreign exchange rate changes		831,543	(406,967)
Cash and cash equivalents at end of financial year		(7,081,421)	(23,299,693)
Reconciliation to cash at bank and in hand			
Cash at bank and in hand at end of financial year		10,201,087	13,968,820
Bank overdraft		(17,282,508)	(37,233,038)
Non-cash items		-	(35,475)
Cash and cash equivalents at end of financial year		(7,081,421)	(23,299,693)

1 ACCOUNTING POLICIES

The significant accounting policies adopted by the group are as follows:

Basis of consolidation
The consolidated financial statements include the financial statements of the parent company and its subsidiary together with the group's share of the profit and loss of joint ventures made up to the end of the financial year, all of which have been prepared to 31 December 2016. The results of subsidiaries acquired or disposed of during the year are included in the profit and loss account from the date of acquisition or up to the date of disposal.

General information and basis of accounting
Inver Energy Limited is incorporated in Ireland under the Companies Act 2014. The address of the registered office is given on page 2. The nature of the group's operations and its principal activities are set out in the directors' report on pages 3 to 5.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis of preparation.

The functional currency of Inver Energy Limited is considered to be euro because that is the currency of the primary economic environment in which the company operates.

Tangible fixed assets
Tangible fixed assets are stated at cost net of depreciation and any allowance for impairment.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis.

Residual value represents the estimated amount which currently can be obtained from disposal of an asset after deducting estimated costs of disposal if the asset were already of the age and in the condition expected at the end of its useful life.

The estimated useful lives of tangible fixed assets by reference to which depreciation has been calculated are as follows:

Buildings	5 to 20 years
Plant and equipment	5 to 10 years
Computer equipment	3 years
Office fixtures and fittings	5 to 10 years

Stocks
Stocks held for trading purposes are valued at fair value by reference to quoted market prices at the balance sheet date. Changes in fair value are recognised within the profit and loss account for the financial year.
This accounting policy represents a departure from FRS 102 paragraph 13.4, which requires stock to be measured at the lower of cost and estimated selling price less cost to sell and complete.

The group has departed from this FRS on the basis that:

a. Management have concluded that the financial statements give a true and fair view of the entity's financial position, financial performance and cash flow.
b. The group has complied with FRS 102 except that it has departed from the requirement of FRS 102 paragraph 13.4 to the extent necessary to give a true and fair view;
c. In the view of the directors, the treatment prescribed by FRS 102 paragraph 13.4 would not give a true and fair view because the stocks of petroleum products held are marketable commodities traded on international markets and are therefore immediately saleable.

1 ACCOUNTING POLICIES - continued

Turnover recognition
Turnover represents the invoiced value of goods sold including excise duties and excluding value added tax and is net of rebates. Income is recognised on shipment of product or delivery of product to the customer in the forecourts which is when transfer of title passes. Included in income is storage income recognised on an accruals basis, matched against the relevant and related period. Income is deferred when money is received from customers for goods or services and the risks and rewards of ownership do not transfer. Where sales are invoiced, but residual risks of ownership have not transferred, this income is deferred and recognised in the period in which residual risk transfers.

Rental income under operating leases is recognised on a straight line basis over the term of the relevant lease as operating income. Initial director costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Leasing
Assets held under finance leases and hire purchase contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Finance costs
Finance costs are amortised in equal annual instalments over the term of the relevant financing facility.

Retirement benefit
The cost of providing pensions under defined contribution scheme arrangements are charged to the profit and loss account in the period in which incurred.

Intangible assets
Intangible assets are stated at cost which include internal costs capitalised, less accumulated amortisation. Amortisation is calculated on a straight line basis to write off each asset systematically over its expected useful life as follows:

Software	3 years
Goodwill	10 years

Taxation
Current tax, including Irish corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1 ACCOUNTING POLICIES - continued

Taxation – continued
Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the society intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of profit and loss account and other comprehensive income as described below.

Non-financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets
If at the end of the reporting period, there is objective evidence of impairment, the company recognises an impairment loss in the statement of profit and loss account and other comprehensive income immediately. For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Foreign currencies
Transactions in foreign currencies are translated into Euro at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to euro at the rates of exchange ruling at the reporting date. The resulting profits and losses are dealt with in the Profit and Loss Account.

The results of the overseas subsidiary are translated into euros at the average rate for the year. The assets and liabilities of overseas subsidiary company have been consolidated at the rate of exchange on the statement of financial position date. Exchange differences arising on the retranslation of the opening statement of financial position of overseas subsidiary company together with differences in exchange rates on the translation of the income statement are recognised in the consolidated statement of comprehensive income.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

1 ACCOUNTING POLICIES - continued

Derivative and other financial instruments
The group uses derivative and other financial instruments to manage certain exposures to fluctuations in commodity prices and foreign exchange rates. Such derivative and other financial instruments are initially recognised at fair value using the transaction price on the date on which a derivative or other contract is entered into and are subsequently re-measured at fair value. Derivatives and other financial instruments are carried as assets when the fair value is positive and liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives and other financial instruments, when marked to market, are taken to the profit and loss account within cost of sales, with the exception of changes in the fair value of derivatives and other financial instruments executed as structural trades. Derivatives and other financial instruments are classed as structural trades when an element of the contract relates to the hedging of a forecasted future inventory position. Movements in the fair value of these structural trades are taken to the profit and loss account within administration costs.

Fair value measurement
The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Financial instruments
All assets and liabilities are presented gross on the face of the balance sheet unless the company has a legally enforceable right to net off the recognised amounts and it intends to settle on a net basis.

Financial assets
Financial assets include cash, trade debtors, other debtors and derivative financial instruments. When financial assets are recognised initially, they are measured at fair value, normally being the transaction price. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial assets and liabilities
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(i) Investments
Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value with changes in fair value recognised through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

(ii) Equity instruments
Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Cashflows
Bank borrowings are considered to be financing activities however, when bank overdrafts and loans are repayable on demand and form an integral part of the company's cash management they are included as cash and cash equivalents.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following estimates have had the most significant effect on amounts recognised in the financial statements:

Provisions
Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions include provisions for bad debts. The carrying value of the bad debt provision at the end of the reporting period was €330,826 (2015: €68,886) and trade debtors were €38,201,957 (2015: €31,581,413).

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Useful economic lives
The useful economic lives of tangible and intangible assets are key assumptions concerning the future at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. In determining these estimates, the company have considered: the expected usage of the asset, expected physical wear and tear, technical and commercial obsolescence and any other limits on the use of assets. In particular this relates to the useful economic life of the UK entity's tangible assets for which significant capital investment has been made by the business.

Fair value measurement
The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3. TURNOVER

Turnover represents the invoiced value of goods sold including excise duties and excluding value added tax and is net of rebates. Income is recognised on shipment of product or delivery of product to the customer at the forecourts which is when transfer of title passes. Included in income is storage income recognised on an accruals basis, matched against the relevant and related period. Where sales are invoiced, but residual risks of ownership have not transferred, this income is deferred and recognised in the period in which residual risk transfers.

The directors, in accordance with Schedule 3, Section 65, paragraph 6, of the Companies Act 2014, believe that it is not in the group's interest to disclose the particulars of turnover as specified in Schedule 3, Section 65, paragraphs 1 and 2, as it would be prejudicial to the interests of the group.

4. OPERATING INCOME

	2016	2015
	€	€
Management charges	54,000	54,000
Rental income	242,473	25,000
Other income	22,560	-
	319,033	79,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

5. FINANCE COSTS (NET)

	2016 €	2015 €
Interest payable and similar charges	(1,794,032)	(2,090,035)
Share of joint ventures net interest payable	(56,129)	(86,984)
Interest income	69,520	-
	(1,780,641)	(2,177,019)

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation has been arrived at after charging/(crediting):

	2016 €	2015 €
Depreciation	1,303,403	1,197,321
Intangible amortisation	65,106	37,837
Operating lease	313,617	45,600
Foreign exchange loss/(gain)	488,929	36,116
Fair value movement of structural trades	(1,057,694)	72,521

Auditor's remuneration

Auditor's remuneration for work carried out for the company in respect of the financial year is as follows:

	2016 €	2015 €
Audit of individual financial statements (including disbursements)	16,750	16,750
Other assurance services	-	-
Tax advisory services	5,000	16,758
Other non-audit services	-	10,000

7. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2016 €	2015 €
Corporation tax - Ireland	557,563	322,220
Corporation tax - UK	146,725	-
Over-provision in respect of prior year	-	(44,032)
Share of joint ventures taxation	151,625	150,553
Deferred tax (note 16)	(29,570)	-
	826,343	428,741

(b) Factors affecting tax charge for the financial year

	2016 €	2015 €
Profit on ordinary activities before taxation	5,736,295	3,702,138
Profit on ordinary activities multiplied by the effective corporation rate for the financial year	717,037	462,767
Effects of:		
Expenses not deductible for tax purposes	34,498	23,063
Accelerated capital allowances	78,777	(7,950)
Additional tax on income taxable at passive rate of 25%	4,091	(4,525)
Losses utilised	(21,738)	(582)
Higher tax rate on overseas earnings	43,248	-
Deferred tax movements	(29,570)	-
Overprovision in respect of prior year	-	(44,032)
Current tax charge for the financial year	826,343	428,741

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

8. STAFF NUMBERS AND COST

The average monthly number of employees (including directors) was:	2016 No.	2015 No.
Sales and distribution	12	10
Administration	13	13
	25	23

Their aggregate remuneration comprised:	2016 €	2015 €
Wages & salaries	1,963,013	1,743,992
Social security costs	180,900	159,280
Other retirement benefit costs (see note 20)	183,263	101,851
	2,327,176	2,005,123

The group has 4 directors. Included in operating expenses are the following in respect of the directors of the company:

	2016 €	2015 €
Emoluments in respect of qualifying services	444,066	397,908

	2016 Number of directors	2016 €	2015 Number of directors	2015 €
Aggregate contributions paid, treated as paid or payable during the financial year to a retirement benefit schemes in respect of qualifying services of directors' defined contribution schemes	2	43,020	2	41,270

9. TANGIBLE ASSETS

	Land and buildings €	Plant and equipment €	Computer equipment €	Office, fixtures & fittings €	Total €
GROUP					
Cost					
At 1 January 2016	2,000,734	17,749,101	170,821	194,536	20,115,192
Additions	2,843,890	519,183	6,176	32,959	3,402,208
Translation reserve	-	(2,349,928)	-	(43,638)	(2,393,566)
At 31 December 2016	4,844,624	15,918,356	176,997	183,857	21,123,834
Accumulated depreciation					
At 1 January 2016	13,134	5,633,077	161,871	139,283	5,947,365
Charge for the financial year	125,870	1,156,060	7,692	13,781	1,303,403
Translation reserve	-	(762,246)	-	(9,405)	(771,651)
At 31 December 2016	139,004	6,026,891	169,563	143,659	6,479,117
Net book value					
At 31 December 2016	4,705,620	9,891,465	7,434	40,198	14,644,717
At 31 December 2015	1,987,600	12,116,024	8,950	55,253	14,167,827

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

9. **TANGIBLE ASSETS – continued**	Land and buildings	Plant and equipment	Computer equipment	Office, fixtures & fittings	Total
In respect of the prior year:	€	€	€	€	€
GROUP					
Cost					
At 1 January 2015	389,198	16,245,553	166,614	146,077	16,947,442
Additions	1,611,536	567,047	4,207	47,544	2,230,334
Translation reserve	-	936,501	-	915	937,416
At 31 December 2015	2,000,734	17,749,101	170,821	194,536	20,115,192
Accumulated depreciation					
At 1 January 2015	13,134	4,232,364	158,154	120,544	4,524,196
Charge for the financial year	-	1,175,453	3,717	18,151	1,197,321
Translation reserve	-	225,260	-	588	225,848
At 31 December 2015	13,134	5,633,077	161,871	139,283	5,947,365
Net book value					
At 31 December 2015	1,987,600	12,116,024	8,950	55,253	14,167,827
At 31 December 2014	376,064	12,013,189	8,460	25,533	12,423,246
COMPANY					
Cost					
At 1 January 2016	2,000,734	1,182,360	170,821	93,546	3,447,461
Additions	2,843,890	426,116	6,176	12,565	3,288,747
At 31 December 2016	4,844,624	1,608,476	176,997	106,111	6,736,208
Accumulated depreciation					
At 1 January 2016	13,134	532,263	161,871	87,954	795,222
Charge for the financial year	125,870	278,395	7,692	6,472	418,429
At 31 December 2016	139,004	810,658	169,563	94,426	1,213,651
Net book value					
At 31 December 2016	4,705,620	797,818	7,434	11,685	5,522,557
At 31 December 2015	1,987,600	650,097	8,950	5,592	2,652,239

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

9. TANGIBLE FIXED ASSETS - continued

In respect of prior year	Land and buildings €	Plant and equipment €	Computer equipment €	Office, fixtures & fittings €	Total €
COMPANY					
Cost					
At 1 January 2015	389,198	840,352	166,614	92,638	1,488,802
Additions	1,611,536	342,008	4,207	908	1,958,659
At 31 December 2015	2,000,734	1,182,360	170,821	93,546	3,447,461
Accumulated depreciation					
At 1 January 2015	13,134	342,378	158,154	79,149	592,815
Charge for the financial year	-	189,885	3,717	8,805	202,407
At 31 December 2015	13,134	532,263	161,871	87,954	795,222
Net book value					
At 31 December 2015	1,987,600	650,097	8,950	5,592	2,652,239
At 31 December 2014	376,064	497,974	8,460	13,489	895,987

At the balance sheet date, the group and company had contracted with tenants for the following future minimum operating lease payments:

	2016 €	2015 €
Within one year	353,648	84,222
Between two and five years	1,402,790	328,889
After five years	1,329,433	411,111
	3,085,871	824,222

10. INTANGIBLE FIXED ASSETS

	2016 Goodwill €	2016 Software €	2016 Total €	2015 Total €
GROUP				
Cost				
At 1 January	-	305,104	305,104	208,731
Additions	120,000	30,004	150,004	94,020
Disposals	-	(42,183)	(42,183)	-
Translation reserve	-	(13,035)	(13,035)	2,353
At 31 December	120,000	279,890	399,890	305,104
Amortisation				
At 1 January	-	197,186	197,186	155,418
Charge for the financial year	9,000	56,106	65,106	37,837
Disposals	-	(42,183)	(42,183)	-
Translation reserve	-	(8,993)	(8,993)	3,391
At 31 December	9,000	202,116	211,116	197,186
Carrying value				
At 31 December	111,000	77,774	188,774	107,918

Intangible assets consisted entirely of software in the prior year.

10. INTANGIBLE FIXED ASSETS - continued

	2016 Goodwill	2016 Intangible Assets	2016 Total	2015 Total
	€	€	€	€
COMPANY				
Cost				
AT 1 January	-	221,649	221,649	164,172
Additions	120,000	30,004	150,004	57,477
At 31 December	120,000	251,653	371,653	221,649
Amortisation				
At 1 January	-	144,773	144,773	110,859
Charge for the financial year	9,000	45,723	54,723	33,914
At 31 December	9,000	190,496	199,496	144,773
Carrying value				
At 31 December	111,000	61,157	172,157	76,876

Intangible assets consisted entirely of software in the prior year.

Acquisition of selected assets
On 1 April 2016, the group acquired selected assets of Daly's Services Limited, a company whose primary activity is the retail sale of motor fuels and convenience food products, for consideration of €208,500. The group has recorded the cost of the assets acquired plus the fair value of the other consideration being goodwill.

The acquisition has been accounted for under the acquisition method:

	Fair value to group €
Fixed assets	
Tangible	88,500
Total assets	88,500
Goodwill	120,000
	208,500
Satisfied by:	
Cash	208,500

11. FINANCIAL ASSETS

	2016	2015
	€	€
GROUP		
At beginning of year	2,421,571	1,476,353
Share of profit retained - joint venture	987,860	945,218
Closing balance	3,409,431	2,421,571

The joint ventures have been included in the financial statements at cost of the investment plus the company's share of past acquisition reserves and adjusted for any dividends/distributions received.

Details of joint ventures are included in Note 27.

	2016	2015
COMPANY	€	€
Investment in subsidiary companies and joint venture		
Opening balance	793,885	673,701
Interest receivable on loan advanced to joint venture	120,184	120,184
Closing balance	914,069	793,885

Included in the cost of the investment above is €433,333 (2015: €433,333) which represents the original investment in the joint venture.

Subsidiary and joint venture undertakings

Name & Registered Number	***Country of Incorporation***	***Holding***	***Activity***	***Capital and Reserves 31 Dec 2016***	***Profit after Tax (2016)***
Subsidiary				***GBP£***	***GBP£***
Inver Energy UK Limited Reg. No. 05706050	United Kingdom	100%	Sale of Oil Products	3,753,487	378,054
Joint Ventures				***€***	***€***
Atlantic Fuel Supply Company Limited Reg. No. 439863	Ireland	50%	Oil Terminal	3,501,748	867,676

12. STOCKS

	2016	2015
	€	€
GROUP		
Fuels	32,503,238	20,479,704
COMPANY		
Fuels	21,004,517	12,306,492

Stocks of petroleum products are recognised at fair value by reference to quoted market prices of these products at year end. Duty paid on stock is recognised at cost. Movements in the fair values are recognised immediately in the profit and loss account. Measuring stocks at fair value is a departure from FRS 102 paragraph 13.4, which requires stock to be carried at the lower of cost and estimated selling price less cost to complete and sell.

In the view of the directors, the treatments prescribed by FRS 102 paragraph 13.4 would not give a true and fair view because the stocks of petroleum products held are marketable commodities traded on international markets and are therefore immediately saleable. In addition, the group uses derivatives and other financial instruments to manage its price exposure on stocks held. As these derivatives and other financial instruments are held at fair value with movements recognised in the profit and loss account, to also recognise the movement in fair value of the stocks in the profit and loss account is considered by the directors to present a better reflection of the financial performance of the group. This is consistent with the true and fair view override in paragraph 3.4 and 3.5 of FRS 102.

As at 31 December 2016 application of the group's accounting policy for the valuation of stock at fair value instead of valuation at either the lower of cost and estimated selling price less cost to complete resulted in a upwards adjustment to stocks on the balance sheet of €1,966,749 (2015: €1,378,485 downwards adjustment).

Included in creditors in Note 14 is a creditor of €4,829,152 (2015: €Nil) in respect of financial instruments. Included in debtors in Note 13 is a debtor of €Nil (2015: €4,839,547) in respect of financial instruments. The total movement in the profit and loss account in relation to unrealised financial instruments during the year is a loss of €9,688,699 (2015: loss of €3,861,439). This includes a loss of €4,929,700 (2015: gain of €1,892,802) on unrealised paper derivative financial instruments. The realised gain specific to paper derivative financial instruments during the year was a gain of €1,516,094 (2015: gain of €1,540,925).

As at 31 December 2016, the group had pledged stock valued at €14,835,703 as security.

13. DEBTORS

	2016	2015
	€	€
GROUP		
Amounts falling due within one year:		
Trade debtors	38,201,957	31,581,413
Prepayments and sundry debtors	904,569	1,857,400
Financial instruments	-	4,839,547
Amount due from parent company	2,200,000	2,200,000
	41,306,526	40,478,360
Amount falling due after more than one year:		
Amount due from joint venture company	2,790,924	1,614,767
	44,097,450	42,093,127

A bad debt provision of €330,826 (2015: €Nil) is included in debtors.

13. DEBTORS - continued

	2016 €	2015 €
COMPANY		
Amounts falling due within one year:		
Trade debtors	32,117,854	25,991,019
Prepayments and sundry debtors	723,952	1,540,763
Financial Instruments	-	2,510,342
Amount due from subsidiary company	6,671,942	16,253,177
Amount due from parent company	2,200,000	2,200,000
	41,713,748	48,495,301
Amount falling due after more than one year:		
Amount due from subsidiary company	-	-
Amount due from joint venture company	2,670,740	1,494,583
	44,384,488	49,989,884

During the year the company incurred bad debts of €243,290 (2015: €Nil).

Amounts owed by the parent company and the subsidiary company are unsecured and interest free. The amount owed by the subsidiary company are also repayable on demand. Interest of 4.3% has been charged on the loan to the joint venture company.

Financial instruments, in both the group and company, consist of derivative financial instruments and other financial instruments used to match revenues and costs relating to inventory including inventory which had been priced but not delivered ("PND") or delivered but not priced ("DNP"). Financial instruments included in debtors are analysed as follows:

	2016 €	2015 €
GROUP		
Paper and foreign exchange derivatives		1,145,976
Future sales contracts, inventory PND/DNP and other financial instruments	-	3,693,571
	-	4,839,547
COMPANY		
Paper and foreign exchange derivatives	-	(911,822)
Future sales contracts, inventory PND/DNP and other financial instruments	-	3,422,164
	-	2,510,342

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

14. CREDITORS - Amounts falling due within one year

	2016	2015
	€	€
GROUP		
Bank overdraft (note 16)	17,282,508	37,233,038
Bank loan (note 16)	754,269	880,645
Trade creditors	11,553,018	1,627,728
Accruals	14,596,490	8,925,046
Income tax deducted under PAYE/NI, including pay related social insurance	114,151	114,286
Value added tax and duty	21,121,612	14,708,436
Corporation tax	250,544	185,429
Amounts due under hire purchase agreements	-	35,475
Deferred income	-	337,953
Financial instruments	4,829,152	-
	70,501,744	64,048,036
COMPANY		
Bank loans and overdrafts	8,352,875	30,083,733
Hire purchase	-	35,475
Trade creditors	9,780,593	761,473
Accruals	12,809,013	7,651,416
Income tax deducted under PAYE, including pay related social insurance	103,619	114,286
Value added tax, duty and other taxes	19,889,053	13,748,846
Corporation tax payable	109,640	168,724
Financial instruments	3,561,322	-
	54,606,116	52,563,953

Financial instruments, in both group and company, consist of derivative and other financial instruments used to match revenues and costs relating to inventory including inventory which has been priced but not delivered ("PND") or delivered but not priced ("DNP"). Financial instruments included in creditors are analysed as follows:

	2016	2015
	€	€
GROUP		
Paper and foreign exchange derivatives	3,936,427	-
Future sales contracts, Inventory PND/DNP and other financial instruments	892,725	-
	4,829,152	-
COMPANY		
Paper and foreign exchange derivatives	2,909,440	-
Future sales contracts, Inventory PND/DNP and other financial instruments	651,882	-
	3,561,322	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

15. CREDITORS - Amounts falling due after more than one year

	2016	2015
	€	€
GROUP		
Bank loan (note 17)	5,896,621	4,380,567
COMPANY		
Bank loans	4,388,083	1,738,632

16. PROVISION FOR LIABILITIES

	2016	2015
	€	€
At beginning of year	820,250	773,059
Credit for the financial year	(29,570)	-
Foreign exchange	(116,536)	47,191
At end of year	674,144	820,250

A deferred tax charge arises because the tax written down value of the fixed assets is lower than the net book value as shown in note 9.

17. BANK LOANS AND OVERDRAFTS - MATURITY AND SECURITY

	2016	2015
	€	€
GROUP		
Maturity of debt		
In one year or less, or on demand	18,036,777	38,113,683
Between one and two years	2,140,422	880,645
Greater than two years	3,756,199	3,499,922
	23,933,398	42,494,250

A debenture governed by the laws of the Republic of Ireland, incorporating first fixed and floating charges over all of the property, assets and undertakings of Inver Energy Limited is held by the bank.

A charge governed by the laws of the United Kingdom incorporating first fixed and floating charges over all of the property, assets and undertakings of Inver Energy Limited is held by the bank.

Inver Energy Limited has provided guarantees to the banks in respect of debts of Atlantic Fuel Supply Company Limited and Inver Energy (UK) Limited.

The bank loans are secured on freehold properties of the company. Interest is payable on the bank loans at fixed rates added to EURIBOR on the principal amount.

17. BANK LOANS AND OVERDRAFTS - MATURITY AND SECURITY – continued

COMPANY	2016 €	2015 €
Maturity of debt		
In one year or less, or on demand	8,352,877	30,083,733
Between one and two years	631,884	-
Greater than two years	3,756,199	1,738,632
	12,740,960	31,822,365

Inver Energy Limited has provided guarantees to the banks in respect of debts of Atlantic Fuel Supply Company Limited and Inver Energy (UK) Limited. A debenture governed by the laws of the Republic of Ireland incorporating first fixed and floating charges over all of the property, assets and undertakings of the Inver Energy Group is held.

The bank loans are secured on freehold properties of the company. Interest is payable on the bank loans at fixed rate added to EURIBOR on the principal amount.

18. CALLED UP SHARE CAPITAL

	2016 €	2015 €
Authorised		
50,000,000 ordinary shares of €0.002 each	100,000	100,000
Allotted and fully paid		
100,000 ordinary shares of €0.002 each	200	200

Other reserves
The profit and loss account represents cumulative trading profits.

In previous years, the company received an irrecoverable unconditional capital contribution from its ultimate parent undertaking.

19. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2016 €	2015 €
Operating profit	6,321,323	4,696,462
Adjustment for:		
Depreciation and amortisation	1,368,509	1,235,158
Corporation tax paid	(639,174)	(313,527)
Operating cash flows before movement in working capital	7,050,658	5,618,093
Non cash movement in derivative financial statements	9,668,699	3,861,062
(Increase)/decrease in stocks	(12,023,534)	1,850,368
Increase in debtors and prepayments	(6,843,870)	(1,203,460)
Decrease/(increase) in creditors and accruals	21,671,822	(24,416,975)
Net cash inflow/(outflow) generated from operating activities	19,523,775	(14,290,912)

20. RETIREMENT BENEFITS

The group operates an independently administered defined contribution pension scheme. Payments to the scheme are charged to the profit and loss account in the period to which they relate. The pension charge for the financial year was €183,275 (2015: €101,851) and the amount due at year end was €5,790 (2015: €Nil).

21. PARENT COMPANY

World Fuels Market Limited, an Irish registered company, owns an 80% interest in the company. The registered office of World Fuels Market Limited is River House, Blackpool Business Park, Blackpool, Cork.

22. RELATED PARTY TRANSACTIONS

Christopher P. O'Callaghan is a director and shareholder of World Fuels Market Limited and a director of Inver Energy Limited, Inver Energy (UK) Limited and Atlantic Fuel Supply Company Limited.

During the year an amount of €48,000 (2015: €45,600) was paid by Inver Energy Limited to Christopher P. O'Callaghan, in respect of lease property rental and an amount of €45,000 (2015: €45,000) was paid by Inver Energy Limited to World Fuels Market Limited for management services.

There was €2,670,740 (2015: €2,880,481) due from Atlantic Fuel Supply Company Limited to Inver Energy Limited at year end. Inver Energy Limited owed Atlantic Fuel Supply Company €1,519,168 (2015: €1,265,714) at year end. The interest rate applied to the loan issued to Atlantic Fuel Supply Company Limited is 4.3%. Interest of €120,184 (2015: €120,184) was charged during the year. This is eliminated on consolidation.

There was €2,200,000 (2015: €2,200,000) due from World Fuels Market Limited to Inver Energy Limited at year end.

During the year an amount of €3,393,897 (2015: €2,228,327) was charged by Inver Energy Limited to Atlantic Fuel Supply Company Limited in respect of product throughout charges and €54,000 (2015: €54,000) was paid to Inver Energy Limited by Atlantic Fuel Supply Company Limited for accounting, administration and management fees.

The total remuneration for key management personnel in accordance with requirements of Section 33.7 of FRS 102 for the year totalled €669,744 (2015: €587,813).

23. FINANCIAL INSTRUMENTS - OIL SWAPS AND FUTURE CONTRACTS

In accordance with the company's policy on hedging, foreign currency exposure is managed by entering into forward exchange contracts and oil price exposure is managed by entering into forward oil swap contracts. The principal amount and the fair value of such contracts open at 31 December 2016 and 2015 were as follows:

USD forward contracts	2016	2015
Principal amount	$4,268,182	$14,350,367
Fair value difference – (liability)/asset	(€9,024)	€156,018
Principal amount	$896,429	$726,733
Fair value difference	£19,308	£12,181
Contracts to purchase oil		
Principal amount	$65,608,782	$97,995,719
Fair value difference – asset/(liability)	$5,335,189	($16,021,759)
Contracts to sell oil		
Principal amount	$87,608,980	$113,073,579
Fair value difference – (liability)/asset	($9,500,791)	$17,088,720

All financial instruments are held at fair value through profit and loss.

The fair value of financial instruments traded on active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regulatory occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1. Level 1 comprises exchange trades commodity financial instruments and exchange traded foreign exchange financial instruments.

24. COMMITMENTS AND CONTINGENCIES

Operating lease commitments	2016 Land and Building €	2016 Other €	2015 Land and Building €	2015 Other €
Within one year	459,337	3,670	203,995	4,284
Between two and five years	1,767,700	917	777,585	5,355
Greater than five years	1,752,171	-	884,498	-
	3,979,208	4,587	1,866,078	9,639

24. COMMITMENTS AND CONTINGENCIES – continued

At the balance sheet date, the future minimum lease payments under non-cancellable operating leases are as follows:

Finance lease commitments	2016 €	2015 €
Within one year	-	35,475

As at the year end, the group had committed to capital expenditure of €1,295,000 (2015: €1,184,000).

At year end, the company had contingent liabilities in respect of standby letters of credit and guarantees issued as follows:

Date of Maturity	Currency	Amount
In one year or less	EUR	400,000
In one year or less	USD	1,200,000
In one year or less	GBP	100,000

At year end, the company had contingent liabilities in respect of open letters of credit in respect of inventory purchases as follows:

Maturity	Currency	Amount
Less than one year	USD	29,592,561

25. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events affecting the company since the balance sheet date.

26. DIVIDEND PAID

	2016 €	2015 €
Equity dividend paid by Inver Energy Limited:		
€250,000 (2015: €100,000) on ordinary shares (€1 per share)	250,000	100,000

27. PROFIT ATTRIBUTABLE TO GROUP SHAREHOLDERS

	2016 €	2015 €
Profit for the financial year in the parent company amounted to	3,462,613	2,177,482

In accordance with the Companies Act, 2014 the company is availing of the exemption from presenting its individual profit and loss account to the annual general meeting and from filing it with the Registrar of Companies.

28. FINANCIAL INSTRUMENTS

	2016 €	2015 €
Financial assets		
Measured at undiscounted amounts receivable		
Trade debtors – Note 13	38,201,957	31,581,413
Amounts due from related undertakings – Note 13	2,200,000	2,200,000
Amount due from joint venture company – Note 13	2,790,924	1,614,767
Measured at undiscounted amounts payable		
Trade creditors – Note 14	(11,553,018)	(1,627,728)
Bank loans – Note 17	(23,933,398)	(42,494,249)
Obligations under finance leases – Note 24	-	(35,475)

29. APPROVAL OF THE FINANCIAL STATEMENTS

The directors approved the consolidated financial statements on 16/5/17.