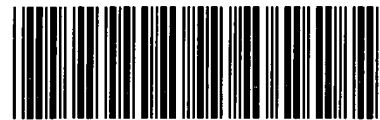


REGISTERED NUMBER: 02270677 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
SOPEX LONDON LTD**

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SOPEX LONDON LTD (REGISTERED NUMBER: 02270677)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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SOPEX LONDON LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018**

DIRECTORS:

H L F M Kronacker
Baron P L Y M Kronacker
Q L F Kronacker
N Beaumont
P Radford

SECRETARY:

Ms E Lozhkina

REGISTERED OFFICE:

Suite 1d Greencoat House
Francis Street
London
SW1P 1DH

REGISTERED NUMBER:

02270677 (England and Wales)

SENIOR STATUTORY AUDITOR: Daniel Faust FCCA

INDEPENDENT AUDITORS :

FLB Accountants LLP, Statutory Auditor
150 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5RB

SOPEX LONDON LTD (REGISTERED NUMBER: 02270677)

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their strategic report for the year ended 31 December 2018.

REVIEW OF BUSINESS

The directors present the audited financial statements which show that the company has made a profit for the period under review.

The company expects the continuation of profitability in the forthcoming twelve months at levels comparable to previous trading periods, although market conditions remain difficult.

PRINCIPAL RISKS AND UNCERTAINTIES

In the normal course of its business the company will be exposed to a range of financial risks including market, credit and liquidity risk. Market risk exposures will arise from trading book positions held in commodities and to a lesser extent foreign exchange. Credit risk exposure arises primarily from unsettled/outstanding trades in the event of client/counterparty failure.

OBJECTIVES, POLICIES AND PROCESSES FOR MANAGING RISK

The Board is responsible for setting and monitoring the company's risk appetite and is responsible for oversight of the risk management function. The company's objective is to have a comprehensive and timely control and disclosure of key risk measures and exposures with daily reports being made available to senior management.

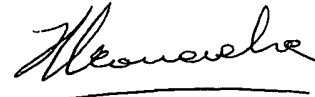
The company employs a variety of risk management tools including a policy of limit control and exception reporting for both the proprietary and unsettled client positions.

FINANCIAL INSTRUMENTS

Details of the company's financial risks and management objectives are set out in note 16 to the financial statements.

ON BEHALF OF THE BOARD:


Director



28 March 2019

SOPEX LONDON LTD (REGISTERED NUMBER: 02270677)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of trading sugar and related commodities.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2018 will be \$4,000,000.

FUTURE DEVELOPMENTS

The company continues trading in its historic markets, whilst continually reviewing opportunities to enter new markets.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

H L F M Kronacker
Baron P L Y M Kronacker
Q L F Kronacker
N Beaumont
P Radford

FINANCIAL INSTRUMENTS

Details of the company's financial risks and management objectives are set out in note 16 to the financial statements.

STRATEGIC REPORT

All relevant items required under Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be disclosed in the directors' report are set out in the strategic report in accordance with s.414C(11) Companies Act 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

SOPEX LONDON LTD (REGISTERED NUMBER: 02270677)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

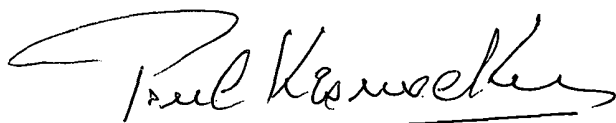
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

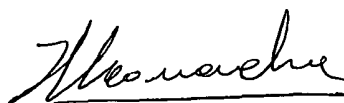
AUDITORS

The auditors, FLB Accountants LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Director



28 March 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOPEX LONDON LTD

Opinion

We have audited the financial statements of Sopex London Ltd (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

Opinion 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 the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOPEX LONDON LTD

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 or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' 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 a Report of the Auditors 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 on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Daniel Faust

Daniel Faust FCCA (Senior Statutory Auditor)
for and on behalf of FLB Accountants LLP, Statutory Auditor
150 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5RB

28 March 2019

SOPEX LONDON LTD (REGISTERED NUMBER: 02270677)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

| | Notes | 2018 \$ | 2017 \$ |
|--|-------|---------------------|--------------|
| REVENUE | 4 | 39,877,109 | 52,587,196 |
| Cost of sales | | (31,483,357) | (42,859,065) |
| GROSS PROFIT | | 8,393,752 | 9,728,131 |
| Administrative expenses | | (4,925,802) | (5,390,618) |
| | | 3,467,950 | 4,337,513 |
| Other operating income | | - | 1,253 |
| OPERATING PROFIT | 6 | 3,467,950 | 4,338,766 |
| Interest receivable and similar income | | 951 | 11,519 |
| PROFIT BEFORE TAXATION | | 3,468,901 | 4,350,285 |
| Tax on profit | 7 | (656,030) | (798,076) |
| PROFIT FOR THE FINANCIAL YEAR | | 2,812,871 | 3,552,209 |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 2,812,871 | 3,552,209 |

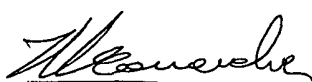
The notes form part of these financial statements

SOPEX LONDON LTD (REGISTERED NUMBER: 02270677)

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2018**

| | Notes | 2018 \$ | 2017 \$ |
|--|-------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Property, plant and equipment | 9 | 35,467 | 7,410 |
| Investments | 10 | 432 | 432 |
| | | <u>35,899</u> | <u>7,842</u> |
| CURRENT ASSETS | | | |
| Inventories | 11 | 12,120,603 | 6,192,053 |
| Debtors | 12 | 16,284,221 | 29,442,285 |
| Cash at bank and in hand | | 210,397 | 626,347 |
| | | <u>28,615,221</u> | <u>36,260,685</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 13 | (13,727,525) | (20,157,803) |
| NET CURRENT ASSETS | | <u>14,887,696</u> | <u>16,102,882</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>14,923,595</u> | <u>16,110,724</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 18 | 3,492,169 | 3,492,169 |
| Share premium | 19 | 671,674 | 671,674 |
| Revaluation reserve | 19 | 3,486 | 3,486 |
| Retained earnings | 19 | 10,756,266 | 11,943,395 |
| SHAREHOLDERS' FUNDS | | <u>14,923,595</u> | <u>16,110,724</u> |

The financial statements were approved and authorised for issue by the Board of Directors on 28 March 2019 and were signed on its behalf by:



H L F M Kronacker - Director



Baron P L Y M Kronacker - Director

The notes form part of these financial statements

SOPEX LONDON LTD (REGISTERED NUMBER: 02270677)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

| | Called up share capital \$ | Retained earnings \$ | Share premium \$ | Revaluation reserve \$ | Total equity \$ |
|------------------------------------|---|-------------------------------------|---------------------------------|---------------------------------------|--------------------------------|
| Balance at 1 January 2017 | 3,492,169 | 8,391,186 | 671,674 | 3,486 | 12,558,515 |
| Changes in equity | | | | | |
| Total comprehensive income | - | 3,552,209 | - | - | 3,552,209 |
| Balance at 31 December 2017 | 3,492,169 | 11,943,395 | 671,674 | 3,486 | 16,110,724 |
| Changes in equity | | | | | |
| Dividends | - | (4,000,000) | - | - | (4,000,000) |
| Total comprehensive income | - | 2,812,871 | - | - | 2,812,871 |
| Balance at 31 December 2018 | 3,492,169 | 10,756,266 | 671,674 | 3,486 | 14,923,595 |

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. STATUTORY INFORMATION

Sopec London Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the US Dollar (\$).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|----------------------------------|---------------|
| Furniture, fixtures and fittings | - 25% on cost |
| Equipment | - 25% on cost |

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Financial instruments

Financial instruments are measured initially at cost, which is the fair value of whatever was paid or received to acquire or incur them. Acquisition costs include transaction costs.

After initial recognition, financial assets and liabilities are classified into the following categories: fair value through profit or loss; available for sale financial assets and loans and receivables. A description of these measurement bases is as follows.

Financial assets and liabilities at fair value through the profit and loss. These include all financial instruments held for trading, including derivatives, as well as those designated at fair value through profit and loss at inception. The financial assets and liabilities are initially recorded at fair value with changes in fair value charged or credited to the profit and loss account in period they arise.

Loans and receivables. These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The receivables are included within trade and other debtors. Such assets are carried at amortised costs using the effective interest method. Gains and losses are recognised in income when the loans and receivables are sold or impaired, as well as through the amortisation process.

Cash and cash equivalents. These comprise cash in hand and deposits that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

Financial liabilities, other than derivative financial instruments or those held for trading are initially recognised at fair value, net of transaction costs as appropriate, and subsequently carried at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

Cash flow statement

The directors have taken advantage of the exemption permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned subsidiary of a company which publishes a consolidated cash flow statement.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. ACCOUNTING POLICIES - continued

Deferred tax

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 have occurred at the date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

4. REVENUE

The revenue and profit before taxation are attributable to the one principal activity of the company.

An analysis of revenue by class of business is given below:

| | 2018 \$ | 2017 \$ |
|-----------------------|-------------------|-------------------|
| Rendering of services | 39,877,109 | 52,587,196 |
| | <u>39,877,109</u> | <u>52,587,196</u> |

An analysis of revenue by geographical market is given below:

| | 2018 \$ | 2017 \$ |
|---------------|-------------------|-------------------|
| Europe | 23,521,566 | 21,786,559 |
| South America | 284,966 | 1,407,847 |
| Asia | 680,050 | 60,750 |
| Africa | 15,166,427 | 29,332,040 |
| Middle East | 224,100 | - |
| | <u>39,877,109</u> | <u>52,587,196</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

5. EMPLOYEES AND DIRECTORS

| | 2018 | 2017 |
|-----------------------|------------------|------------------|
| | \$ | \$ |
| Wages and salaries | 2,904,089 | 3,600,183 |
| Social security costs | 396,331 | 308,564 |
| Other pension costs | 176,684 | 102,799 |
| | <u>3,477,104</u> | <u>4,011,546</u> |

The average number of employees during the year was as follows:

| | 2018 | 2017 |
|----------------|-----------|-----------|
| Administration | 5 | 8 |
| Selling | 7 | 8 |
| | <u>12</u> | <u>16</u> |

| | 2018 | 2017 |
|--|---------------|---------------|
| | \$ | \$ |
| Directors' remuneration | 1,883,988 | 1,697,710 |
| Directors' pension contributions to money purchase schemes | <u>37,451</u> | <u>50,981</u> |

The number of directors to whom retirement benefits were accruing was as follows:

| | | |
|------------------------|----------|----------|
| Money purchase schemes | <u>2</u> | <u>2</u> |
|------------------------|----------|----------|

Information regarding the highest paid director is as follows:

| | 2018 | 2017 |
|---|---------------|----------|
| | \$ | \$ |
| Emoluments etc | 599,857 | 583,086 |
| Pension contributions to money purchase schemes | <u>18,725</u> | <u>-</u> |

6. OPERATING PROFIT

The operating profit is stated after charging:

| | 2018 | 2017 |
|----------------------------------|---------------|---------------|
| | \$ | \$ |
| Depreciation - owned assets | 9,256 | 2,779 |
| Loss on disposal of fixed assets | - | 8,099 |
| Auditors' remuneration | <u>26,550</u> | <u>29,622</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

7. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

| | 2018 \$ | 2017 \$ |
|--------------------|----------------|----------------|
| Current tax: | | |
| UK corporation tax | 656,030 | 798,076 |
| Tax on profit | <u>656,030</u> | <u>798,076</u> |

UK corporation tax was charged at 19.25% in 2017.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2018 \$ | 2017 \$ |
|---|------------------|------------------|
| Profit before tax | <u>3,468,901</u> | <u>4,350,285</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.250%) | 659,091 | 837,430 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 21,724 | (639) |
| Capital allowances in excess of depreciation | (9,002) | (3,408) |
| Non-trading income | - | 241 |
| Foreign Exchange difference | <u>(15,783)</u> | <u>(35,548)</u> |
| Total tax charge | <u>656,030</u> | <u>798,076</u> |

Factors affecting future tax charges

At Summer Budget 2015, the government announced legislation setting the Corporation Tax main rate (for all profits except ring fence profits) at 19% for the years starting the 1 April 2017, 2018 and 2019 and at 18% for the year starting 1 April 2020.

8. DIVIDENDS

| | 2018 \$ | 2017 \$ |
|---------|------------------|------------|
| Interim | <u>4,000,000</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

9. PROPERTY, PLANT AND EQUIPMENT

| | Furniture, fixtures and fittings \$ | Equipment \$ | Totals \$ |
|-----------------------|---|-----------------|--------------|
| COST | | | |
| At 1 January 2018 | 3,613 | 161,127 | 164,740 |
| Additions | - | 37,313 | 37,313 |
| At 31 December 2018 | 3,613 | 198,440 | 202,053 |
| DEPRECIATION | | | |
| At 1 January 2018 | 3,613 | 153,717 | 157,330 |
| Charge for year | - | 9,256 | 9,256 |
| At 31 December 2018 | 3,613 | 162,973 | 166,586 |
| NET BOOK VALUE | | | |
| At 31 December 2018 | - | 35,467 | 35,467 |
| At 31 December 2017 | - | 7,410 | 7,410 |

10. FIXED ASSET INVESTMENTS

The value of listed investments as at 31 December 2018 and as at 31 December 2017 represent market values prevailing at the year ends.

11. INVENTORIES

| | 2018 \$ | 2017 \$ |
|--------|------------|------------|
| Stocks | 12,120,603 | 6,192,053 |

12. DEBTORS

| | 2018 \$ | 2017 \$ |
|--------------------------------------|------------|------------|
| Amounts falling due within one year: | | |
| Trade debtors | 3,723,033 | 5,246,693 |
| Derivative financial assets | 5,611,068 | 9,288,874 |
| Other debtors | 83,467 | 88,876 |
| Amounts due from group companies | 6,594,176 | 14,218,317 |
| VAT | 29,833 | 21,332 |
| Prepayments and accrued income | 201,829 | 357,089 |
| | 16,243,406 | 29,221,181 |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

12. DEBTORS - continued

| | 2018 | 2017 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Amounts falling due after more than one year: | | |
| Rental deposit | 40,815 | 43,099 |
| Directors' loan accounts | - | 178,005 |
| | <u>40,815</u> | <u>221,104</u> |
| Aggregate amounts | <u>16,284,221</u> | <u>29,442,285</u> |

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2018 | 2017 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Bank loans and overdrafts (see note 14) | 4,932,768 | 5,157,904 |
| Trade creditors | 1,963,350 | 737,352 |
| Derivative financial liabilities | 4,530,126 | 11,028,817 |
| Corporation tax | 429,605 | 507,497 |
| Social security and other taxes | 151,466 | 116,371 |
| Accrued expenses | 1,720,210 | 2,609,862 |
| | <u>13,727,525</u> | <u>20,157,803</u> |

14. LOANS

An analysis of the maturity of loans is given below:

| | 2018 | 2017 |
|---|------------------|------------------|
| | \$ | \$ |
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | <u>4,932,768</u> | <u>5,157,904</u> |

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2018 | 2017 |
|----------------------------|----------------|----------------|
| | \$ | \$ |
| Within one year | 125,173 | 132,178 |
| Between one and five years | 31,293 | 165,222 |
| | <u>156,466</u> | <u>297,400</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

16. SECURED DEBTS

The following secured debts are included within creditors:

| | 2018 \$ | 2017 \$ |
|-----------------|------------------|------------------|
| Bank overdrafts | <u>4,932,768</u> | <u>5,157,904</u> |

The bank overdraft is secured by a fixed charge over the stock of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

17. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The company's primary financial instruments comprise cash, intercompany loans, physical and exchange traded forward commodity contracts, and forward foreign exchange contracts.

The main risks arising from the company's financial instruments are foreign currency risk, commodity price risk and credit risk.

Foreign currency risk

The company manages exposures to foreign currency fluctuations by entering into spot or forward foreign currency contracts. The presentational currency of the company's financial statements is United States Dollars as this is the currency in which the majority of the company's activities are conducted.

Commodity price risk

The company manages certain of its exposures to commodity price risk by matching physical commodity sales and purchase contracts and through the use of exchange traded and 'over-the-counter' commodity derivatives. Price risk exposures are reported daily and reviewed by the Company's risk function.

Credit risk

Credit risk is the potential exposure of the company to loss in the event of non-performance by a counterparty. The company controls credit risk through credit approval processes for new counterparties, limits for all counterparties, annual re-assessment of significant counterparty limits, daily monitoring of individual exposures against limits and reviewed by the Company's risk function.

Sections 11 and 12 of FRS 102 contain definitions of financial assets and financial liabilities. An analysis of the financial assets and financial liabilities is outlined below:

| | Note | At Fair Value through Profit and Loss \$ | Loans and Receivables \$ | Cash at Bank \$ | Amortised Cost \$ |
|----------------------------------|------|---|--------------------------------|-----------------------|-------------------------|
| As at 31 December 2018: | | | | | |
| Financial assets | | | | | |
| Stock held for trading | 11 | 12,220,603 | | | |
| Trade and other receivables | 12 | | 10,673,153 | | |
| Derivative financial assets | 12 | 5,611,068 | | | |
| Cash at bank and in hand | | | | 210,397 | |
| Financial liabilities | | | | | |
| Trade and other payables | 13 | | | | (9,197,399) |
| Derivative financial liabilities | 13 | (4,630,126) | | | |
| | | <u>13,201,545</u> | <u>10,673,153</u> | <u>210,397</u> | <u>(9,197,399)</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

| | Note | At Fair Value through Profit and Loss | Loans and Receivables | Cash at bank | Amortised Cost |
|----------------------------------|------|---------------------------------------|-----------------------|----------------|--------------------|
| As at 31 December 2017: | | \$ | \$ | \$ | \$ |
| Financial assets | | | | | |
| Stock held for trading | 11 | 6,192,053 | | | |
| Trade and other receivables | 12 | | 20,153,410 | | |
| Derivative financial assets | 12 | 9,288,874 | | | |
| Cash at bank and in hand | | | | 624,120 | |
| Financial liabilities | | | | | |
| Trade and other payables | 13 | | | | (9,127,767) |
| Derivative financial liabilities | 13 | (11,028,817) | | | |
| | | <u>4,452,110</u> | <u>20,153,410</u> | <u>624,120</u> | <u>(9,127,767)</u> |

Fair values of financial assets and liabilities have been determined on a basis of observable quoted market prices in an active market.

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2018 | 2017 |
|-----------|----------|----------------|------------------|------------------|
| | | | \$ | \$ |
| 2,164,545 | Ordinary | £1 | <u>3,492,169</u> | <u>3,492,169</u> |

Shares rank equally for voting purposes. On a show of hands each member shall have one vote, and on a poll each member shall have one vote per share held. The voting rights are described in the articles of association.

19. RESERVES

| | Retained earnings | Share premium | Revaluation reserve | Totals |
|---------------------|-------------------|----------------|---------------------|-------------------|
| | \$ | \$ | \$ | \$ |
| At 1 January 2018 | 11,943,395 | 671,674 | 3,486 | 12,618,555 |
| Profit for the year | 2,812,871 | | | 2,812,871 |
| Dividends | (4,000,000) | | | (4,000,000) |
| At 31 December 2018 | <u>10,756,266</u> | <u>671,674</u> | <u>3,486</u> | <u>11,431,426</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

20. ULTIMATE PARENT COMPANY

The company's immediate and ultimate parent company is N.V. Group Sopex S.A., incorporated and registered in Belgium.

The largest and smallest group in which the company is consolidated is that headed by N.V. Group Sopex S.A., incorporated in Belgium. The consolidated financial statements of the group are available to the public and may be obtained from N.V. Group Sopex S.A., General Lemanstraat 74, Antwerp, B-2600, Belgium.

21. OTHER FINANCIAL COMMITMENTS

The company provided guarantees to fellow group companies in respect of potential liabilities under combined commercial credit agreements.

At 31 December 2018 the guarantees given by the company amounted to nil (2017: \$11,993).

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2018 and 31 December 2017:

| | 2018 \$ | 2017 \$ |
|--------------------------------------|------------|----------------|
| H L F M Kronacker | | |
| Balance outstanding at start of year | 178,005 | 350,082 |
| Amounts advanced | - | 41,827 |
| Amounts repaid | (178,005) | (213,904) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>-</u> | <u>178,005</u> |

The loan has been paid off in full ahead of the scheduled repayment date.

23. RELATED PARTY DISCLOSURES

Entities with control, joint control or significant influence over the entity

| | 2018 \$ | 2017 \$ |
|-------------------------------|------------------|-------------------|
| Amount due from related party | <u>6,594,176</u> | <u>14,218,317</u> |

The company has taken disclosure advantages of Section 33, Related Party Disclosures, paragraph 33.1A from disclosing transactions entered into between two or more wholly owned members of a group.

The above balances at each respective year end related to loans and were owed by the company's fellow group undertakings, which are members of a wholly owned group. Loans are unsecured, interest-free and repayable on demand.

24. ULTIMATE CONTROLLING PARTY

The Kronacker family is considered to be the ultimate controlling party by virtue of their direct and indirect control and majority shareholding in the ultimate parent undertaking, N.V. Group Sopex S.A., incorporated and registered in Belgium.