

Company registration number 02737924 (England and Wales)

**TRAFIGURA LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

# TRAFIGURA LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	C Smallbone M Swift R Bloch R Holtum	(Appointed 1 June 2023)
<b>Company number</b>	02737924	
<b>Registered office</b>	14 St George Street London W1S 1FE	
<b>Auditor</b>	Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG	

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# TRAFIGURA LIMITED

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# **TRAFIGURA LIMITED**

## **STRATEGIC REPORT**

### ***FOR THE YEAR ENDED 30 SEPTEMBER 2022***

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The directors present the strategic report for the year ended 30 September 2022.

#### **Review of the business**

The company's turnover represents costs recharged to group companies at agreed mark up levels of either 0% or 10%, based upon the underlying agreement with those group companies.

The directors are satisfied with the results for the year and the state of affairs of the company at the balance sheet date.

#### **Going Concern**

The Company assessed the going-concern assumptions, during the preparation of the financial statements. The Company believes that no events or conditions, including those related to the current military conflict in Ukraine, give rise to doubt about the ability of the Company to continue in operation in the next reporting period. This conclusion is drawn based on the knowledge of the Company, the estimated economic outlook and identified risks and uncertainties in relation thereto.

Furthermore, this conclusion is based on review of the current cash balance and expected developments in liquidity and capital. The Company has sufficient cash and headroom in its credit facilities. Therefore, it expects that it will be able to meet contractual and expected maturities and covenants. Consequently, it has been concluded that it is reasonable to apply the going-concern concept as the underlying assumption for the financial statements.

#### **Principal risks and uncertainties**

Risk management guidelines are established at senior management level. Any risks the company is exposed to are managed through a combination of internal procedures, such as strict control mechanisms and policies.

The company has no direct exposure to cash flow risk, credit risk, liquidity risk or price risk, due to the nature of its operations. All such risks fall upon the company's intermediate holding company, Trafigura Pte. Limited.

#### **Development and performance**

The directors expect the general level of immediate future activity to remain consistent with the current year.

#### **Key performance indicators**

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

# TRAFIGURA LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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### **Statement by the Directors in performance of their statutory duties in accordance with s 172(1) Companies Act 2006**

The Directors of Trafigura Limited consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172 (1) (a-f) of the Companies Act 2006) in the decisions taken during the year ended 30th September 2022.

#### **Our People**

People are a key factor for our business to succeed. We are proud of the average length of service of our employees. We intend to retain people for the long term and our recruitment strategy is based on offering long careers in fairly paid and stable jobs.

We encourage our employees to have both fulfilling careers and balanced lives. We look to our employees to contribute ideas for our future growth, and share the rewards of the business where we are profitable, primarily through our discretionary annual bonus scheme.

#### **Business Relationships**

We value long term relationships with our suppliers and customers and many of our relationships span years and some span decades. We employ robust "know your customer" and "know your supplier" processes across our operations, and we are typically cautious when entering into new relationships.

#### **Community, Environment and Reputation**

We believe that a positive and strong culture is the best way to ensure a high level of professional conduct when it comes to health and safety, environment, regulations or business dealings.

#### **Capital allocation and long term decisions**

At least on an annual basis the directors review the financial budgets, resource plans and investment decisions. In making decisions concerning the business plan and future strategy, the directors have regard to a variety of matters including the interests of stakeholders, long term consequences of our capital allocation (such expenditure needed to ensure our long term viability whilst maintaining adequate liquidity), and reputation.

Decisions on the level of dividend take into account the general profitability, liquidity and funding needs of the company.

On behalf of the board

C Smallbone  
**Director**

M Swift  
**Director**

R Bloch  
**Director**

R Holtum  
**Director**

# TRAFIGURA LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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The directors present their annual report and financial statements for the year ended 30 September 2022.

#### Principal activities

The principal activity of the company continued to be that of the provision of services in consultancy, administration and data collection.

#### Results and dividends

The results for the year are set out on page 8.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C Smallbone

M Swift

R Bloch

M Wainwright

(Resigned 1 June 2023)

R Holtum

(Appointed 1 June 2023)

#### Auditor

The auditor, Bright Grahame Murray, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

C Smallbone

**Director**

M Swift

**Director**

R Bloch

**Director**

R Holtum

**Director**

23 June 2023

# **TRAFIGURA LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 SEPTEMBER 2022***

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

# TRAFIGURA LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF TRAFIGURA LIMITED

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### Opinion

We have audited the financial statements of Trafigura Limited (the 'company') for the year ended 30 September 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

# TRAFIGURA LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBER OF TRAFIGURA LIMITED

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#### **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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following :

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation and employment legislation.
- We enquired of the directors, reviewed correspondence with HMRC and reviewed directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: revenue recognition, related parties outside normal course of business, management override and misappropriation of cash and other assets.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

## **TRAFIGURA LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF TRAFIGURA LIMITED**

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's member 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 member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

**Ahsan Miraj (Senior Statutory Auditor)**  
**For and on behalf of Bright Grahame Murray**  
**Chartered Accountants**  
**Statutory Auditor**  
Emperor's Gate  
114a Cromwell Road  
London

30 June 2023

# TRAFIGURA LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2022

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		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>USD'000</b>	<b>USD'000</b>
<b>Turnover</b>	<b>3</b>	39,235	39,513
Administrative expenses		(36,603)	(36,627)
Other operating income		627	417
		<hr/>	<hr/>
<b>Operating profit</b>	<b>4</b>	3,259	3,303
Interest receivable and similar income	<b>8</b>	10	-
Interest payable and similar expenses	<b>9</b>	-	(4)
		<hr/>	<hr/>
<b>Profit before taxation</b>		3,269	3,299
Tax on profit	<b>10</b>	(466)	(12)
		<hr/>	<hr/>
<b>Profit for the financial year</b>		<u>2,803</u>	<u>3,287</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# TRAFIGURA LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2022

		2022		2021	
	Notes	USD'000	USD'000	USD'000	USD'000
<b>Fixed assets</b>					
Intangible assets	11		655		1,181
Tangible assets	12		6,988		6,970
			<u>7,643</u>		<u>8,151</u>
<b>Current assets</b>					
Debtors - deferred tax	15	2,006		2,797	
Debtors - other	13	13,869		11,563	
Cash at bank and in hand		401		1,749	
		<u>16,276</u>		<u>16,109</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(5,211)</u>		<u>(8,355)</u>	
<b>Net current assets</b>			<u>11,065</u>		<u>7,754</u>
<b>Net assets</b>			<u>18,708</u>		<u>15,905</u>
<b>Capital and reserves</b>					
Called up share capital	17		-		-
Profit and loss reserves			18,708		15,905
<b>Total equity</b>			<u>18,708</u>		<u>15,905</u>

The financial statements were approved by the board of directors and authorised for issue on 23 June 2023 and are signed on its behalf by:

C Smallbone  
Director

M Swift  
Director

R Bloch  
Director

R Holtum  
Director

Company Registration No. 02737924

# TRAFIGURA LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2022

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	Profit and loss reserves
	USD'000
<b>Balance at 1 October 2020</b>	12,618
<b>Year ended 30 September 2021:</b>	
Profit and total comprehensive income for the year	3,287
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<b>Balance at 30 September 2021</b>	15,905
<b>Year ended 30 September 2022:</b>	
Profit and total comprehensive income for the year	2,803
	<hr/>
<b>Balance at 30 September 2022</b>	<u>18,708</u>

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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### **1 Accounting policies**

#### **Company information**

Trafigura Limited is a private company limited by shares incorporated in England and Wales. The registered office is 14 St George Street, London, W1S 1FE.

#### **1.1 Accounting convention**

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

The financial statements are prepared in USD as this is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest USD'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of cash flow statements and remuneration of key management personnel.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover is fees receivable, exclusive of value added tax and represents can agreed mark up level, either 10% or 0%.

The company's activities consist solely of the provision of services in consultancy, administration and data collection in the United Kingdom.

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.4 Intangible fixed assets other than goodwill

Intangible Assets comprise internally generated assets relating mainly to computer software and other intangible assets relating mainly to externally acquired computer software and assets. These are carried at cost less accumulated amortisation and any recognised impairment loss. Other intangible Assets such as externally acquired computer software and software licences are capitalised and amortised on a straight-line basis over their useful lives of three years. Costs relating to the development of computer software for internal use are capitalised once all the development phase recognition criteria of Section 18 of FRS 102 "Intangible Assets" are met. When the software is available for its intended use, these costs are amortised in equal annual amounts over the estimated useful life of the asset. Amortisation and impairment of computer software or licences are charged to administrative expenses in the period in which they arise.

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

#### Cost Capitalisation

The cost of internally generated assets is capitalised as an intangible asset where it is determined by management's judgement that the ability to develop the assets is technically feasible, will be completed and that the asset will generate economic benefit that outweighs its cost. This is in line with the recognition criteria as outlined in Section 18 FRS 102 "Intangible Assets". Management determine whether the nature of the projects meets the recognition criteria to allow for the capitalised of internal costs, which include the total cost of any external products or services and labour costs directly attributable to development. During the year management have considered whether costs in relation to the time spent on specific software projects can be capitalised. Time spent that was eligible for capitalisation included time which was intrinsic to the development of new assets to be used by the company and the enhancement of existing system capabilities.

Other development costs that do not meet the above criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Research expenditure is recognised as an expense as incurred. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software Development	20-40% p.a. on a straight line basis
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#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less a provision for depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	20% p.a on a straight line basis
Fixtures, fittings and computers	20-40% p.a on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

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.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies (Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### **1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***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 that 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.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

The company operates a defined contribution scheme for the benefit of certain employees. Contributions payable are charged to the profit and loss account in the year they are payable.

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies (Continued)

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.14 Foreign exchange

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on settlement of monetary items on translating monetary items at the balance sheet date are recognised in the profit and loss account.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### **Assessing the functional currency**

The directors are required to identify the functional currency of the company. In making this judgement the directors have considered factors such as the currency which mainly influences both sales and cost prices, and the countries whose competitive forces and regulations affect those prices. Where the functional currency is not clearly identifiable, the directors use judgement to determine which currency most faithfully represents the economic effects of the underlying transactions, events and conditions.

#### **Recognition of deferred tax assets**

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

#### **Intangible assets (capitalisation of software costs)**

The cost of internally generated assets is capitalised as an intangible asset where it is determined by management's judgement that the ability to develop the assets is technically feasible, will be completed and that the asset will generate economic benefit that outweighs its cost.

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 2 Judgements and key sources of estimation uncertainty (Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### *Determining the useful economic lives of property, plant and equipment*

Trafigura depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and product life cycles.

#### *Establishing recoverable values of impaired assets*

Loans, receivables and property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be fully recoverable. If an asset's recoverable amount is less than the asset's carrying amount, an impairment loss is recognised. Loans and receivables are evaluated based on collectability. Changes in estimates could impact recoverable values of the assets.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022 USD'000	2021 USD'000
<b>Turnover analysed by class of business</b>		
Service fees receivable	39,235	39,513
	<u>          </u>	<u>          </u>
	2022 USD'000	2021 USD'000
<b>Other significant revenue</b>		
Interest income	10	-
Rent receivable	627	417
	<u>          </u>	<u>          </u>

### 4 Operating profit

	2022 USD'000	2021 USD'000
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(1,384)	(61)
Depreciation of owned tangible fixed assets	3,996	3,133
Amortisation of intangible assets	540	635
Operating lease charges	2,190	3,186
Other administrative expenses not requiring separate disclosure	31,262	29,734
	<u>          </u>	<u>          </u>
Total administrative expenses charged	<u>36,604</u>	<u>36,627</u>

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Administrative staff	33	34

Their aggregate remuneration, including directors' remuneration, comprised:

	2022 USD'000	2021 USD'000
Wages and salaries	6,744	8,061
Social security costs	1,266	1,041
Pension costs	435	490
	<u>8,445</u>	<u>9,592</u>

### 6 Directors' remuneration

	2022 USD'000	2021 USD'000
Remuneration for qualifying services	382	414
Company pension contributions to defined contribution schemes	32	34
	<u>414</u>	<u>448</u>

### 7 Auditor's remuneration

	2022 USD'000	2021 USD'000
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	59	47
<b>For other services</b>		
Taxation compliance services	27	25

### 8 Interest receivable and similar income

	2022 USD'000	2021 USD'000
<b>Interest income</b>		
Interest on bank deposits	10	-

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

<b>9</b>	<b>Interest payable and similar expenses</b>	<b>2022</b>	<b>2021</b>
		<b>USD'000</b>	<b>USD'000</b>
	Other interest	-	4
		<u>          </u>	<u>          </u>
<b>10</b>	<b>Taxation</b>	<b>2022</b>	<b>2021</b>
		<b>USD'000</b>	<b>USD'000</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	-	267
	Adjustments in respect of prior periods	(324)	(15)
	Total current tax	<u>          </u>	<u>          </u>
		<u>          </u>	<u>          </u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	790	(240)
		<u>          </u>	<u>          </u>
	Total tax charge	<u>          </u>	<u>          </u>
		<u>          </u>	<u>          </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2022</b>	<b>2021</b>
	<b>USD'000</b>	<b>USD'000</b>
Profit before taxation	3,269	3,299
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	621	627
Tax effect of expenses that are not deductible in determining taxable profit	2	68
Adjustments in respect of prior years	(324)	(15)
Depreciation on assets not qualifying for tax allowances	-	13
Deferred tax adjustments in respect of prior years	266	-
Foreign exchange differences	-	(2)
Superdeduction relief under UK tax law	(225)	(9)
Other adjustment to deferred tax rates	126	(670)
	<u>          </u>	<u>          </u>
Taxation charge for the year	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 11 Intangible fixed assets

	<b>Software Development USD'000</b>
<b>Cost</b>	
At 1 October 2021	14,214
Additions	14
At 30 September 2022	<u>14,228</u>
<b>Amortisation and impairment</b>	
At 1 October 2021	13,033
Amortisation charged for the year	540
At 30 September 2022	<u>13,573</u>
<b>Carrying amount</b>	
At 30 September 2022	<u>655</u>
At 30 September 2021	<u><u>1,181</u></u>

Included in Software Development costs are licence fees with a carrying value of \$0.1m (2021: \$0.4m) and a remaining useful economic life of 1 years.

### 12 Tangible fixed assets

	<b>Leasehold property USD'000</b>	<b>Fixtures, fittings and computers USD'000</b>	<b>Total USD'000</b>
<b>Cost</b>			
At 1 October 2021	17,568	81,497	99,065
Additions	-	4,014	4,014
At 30 September 2022	<u>17,568</u>	<u>85,511</u>	<u>103,079</u>
<b>Depreciation and impairment</b>			
At 1 October 2021	17,507	74,588	92,095
Depreciation charged in the year	15	3,981	3,996
At 30 September 2022	<u>17,522</u>	<u>78,569</u>	<u>96,091</u>
<b>Carrying amount</b>			
At 30 September 2022	<u>46</u>	<u>6,942</u>	<u>6,988</u>
At 30 September 2021	<u><u>61</u></u>	<u><u>6,909</u></u>	<u><u>6,970</u></u>

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

<b>13 Debtors</b>		
	<b>2022</b>	<b>2021</b>
<b>Amounts falling due within one year:</b>	<b>USD'000</b>	<b>USD'000</b>
Corporation tax recoverable	1,045	877
Amounts owed by group undertakings	1,501	4,957
Other debtors	968	468
Prepayments and accrued income	10,355	5,261
	<u>13,869</u>	<u>11,563</u>
Deferred tax asset (note 15)	2,006	2,797
	<u>15,875</u>	<u>14,360</u>
	<u><u>15,875</u></u>	<u><u>14,360</u></u>
<b>14 Creditors: amounts falling due within one year</b>		
	<b>2022</b>	<b>2021</b>
	<b>USD'000</b>	<b>USD'000</b>
Trade creditors	555	2,757
Amounts owed to group undertakings	2,235	1,261
Taxation and social security	32	44
Other creditors	1,743	2,504
Accruals and deferred income	646	1,789
	<u>5,211</u>	<u>8,355</u>
	<u><u>5,211</u></u>	<u><u>8,355</u></u>
<b>15 Deferred taxation</b>		
Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:		
	<b>Assets</b>	<b>Assets</b>
	<b>2022</b>	<b>2021</b>
<b>Balances:</b>	<b>USD'000</b>	<b>USD'000</b>
Short term timing differences	6	-
Tax losses	226	-
Capital allowances in excess of/(less than) depreciation	1,774	2,797
	<u>2,006</u>	<u>2,797</u>
	<u><u>2,006</u></u>	<u><u>2,797</u></u>
<b>Movements in the year:</b>		<b>2022</b>
		<b>USD'000</b>
Asset at 1 October 2021		(2,797)
Charge to profit or loss		791
		<u>(2,006)</u>
Asset at 30 September 2022		<u><u>(2,006)</u></u>

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 15 Deferred taxation (Continued)

The deferred tax asset is regarded as due in more than one year, as no material net reversal is expected within the next 12 months.

### 16 Retirement benefit schemes

	2022	2021
	USD'000	USD'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	435	490

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 17 Share capital

	2022	2021
	USD'000	USD'000
Ordinary share capital		
2 Ordinary shares of \$1.50 each	*	*

\*Amount less than \$1,000.

### 18 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	USD'000	USD'000
Within one year	2,167,092	2,616,031
Between two and five years	6,507,212	7,765,715
In over five years	10,022,056	12,098,247
	<u>18,696,360</u>	<u>22,479,993</u>

# TRAFIGURA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 SEPTEMBER 2022*

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### 19 Ultimate controlling party

Trafigura Group PTE Ltd, the intermediate holding company, continues to prepare the consolidated accounts and they may be obtained from their registered offices.

Trafigura Group PTE Ltd,  
10 Collyer Quay  
#29-01/05 Ocean Financial Centre  
Singapore  
049315

The ultimate parent undertaking is Farringford Foundation, which is established under the laws of Panama.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.