International Fender Providers Ltd

Report & Financial Statements

31 December 2021

Company Registration Number: C 69877

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General information

Registration

International Fender Providers Ltd is registered in Malta as a private exempt limited liability company under the Companies Act, Cap. 386 with registration number C 69877.

Directors

Christopher Frendo
Nicholas Frendo

Registered office

10, Timber Wharf
Marsa MRS 1443
Malta

Auditor

Grant Thornton
Fort Business Centre
Triq l-Intornjatur, Zone 1
Central Business District
Birkirkara CBD 1050
Malta

Statement of directors' responsibilities

The Companies Act, Cap 386 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- adopt the going concern basis unless it is inappropriate to presume that the company will continue in business;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements have been properly prepared in accordance with the Companies Act, Cap 386. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Income statement

	Notes	2021	2020 (restated)
		€	€
Revenue		**3,397,148**	**3,815,047**
Cost of sales		(3,016,591)	(3,274,388)
Gross profit		**380,557**	**540,659**
Administrative expenses		(180,891)	(293,342)
Other income	6	1,400	15,003
Operating profit		**201,066**	**262,320**
Finance costs	7	(93,156)	(109,342)
Profit before tax	8	**107,910**	**152,978**
Tax expense	10	(37,976)	(17,950)
Profit for the year		**69,934**	**135,028**

Statement of financial position

	Notes	2021	2020 (restated)	2019 (restated)
		€	€	€
Assets				
Non-current				
Property, plant and equipment	12	477,295	442,527	583,663
Long-term receivables	13	3,245,660	3,047,623	3,739,327
Deferred tax asset	17	1,143	1,516	-
		3,724,098	**3,491,666**	**4,322,990**
Current				
Trade and other receivables	13	404,760	663,876	382,705
Cash and cash equivalents	14	34,275	472	66,613
Current tax asset		488	17,321	78,255
		439,523	**681,669**	**527,573**
Total assets		**4,163,621**	**4,173,335**	**4,850,563**

Statement of financial position - continued

	Notes	2021	2020 (restated)	2019 (restated)
		€	€	€
Equity				
Share capital	15	16,000	16,000	16,000
Retained earnings		1,123,791	1,053,857	1,018,829
Total equity		**1,139,791**	**1,069,857**	**1,034,829**
Liabilities				
Non-current				
Borrowings	16	574,867	699,687	804,870
Long-term payables	18	-	-	406,136
Deferred tax liability	17	-	-	35,486
		574,867	**699,687**	**1,246,492**
Current				
Borrowings	16	766,603	1,667,220	2,159,785
Trade and other payables	18	1,679,237	732,834	407,216
Current tax liability		3,123	3,737	2,241
		2,448,963	**2,403,791**	**2,569,242**
Total liabilities		**3,023,830**	**3,103,478**	**3,815,734**
Total equity and liabilities		**4,163,621**	**4,173,335**	**4,850,563**

The financial statements on pages 4 to 27 were approved, authorised for issue and signed by the directors on 28 April 2022.

Christopher Frendo
Director

Nicholas Frendo
Director

Statement of changes in equity

	Share capital €	Retained earnings €	Total equity €
At 1 January 2019*	16,000	910,004	926,004
Profit for the year	-	108,825	108,825
At 31 December 2019*	**16,000**	**1,018,829**	**1,034,829**
At 1 January 2020	16,000	1,018,829	1,034,829
Transaction with owners:			
Dividends	-	(100,000)	(100,000)
	-	(100,000)	(100,000)
Profit for the year	-	135,028	135,028
At 31 December 2020*	**16,000**	**1,053,857**	**1,069,857**
At 1 January 2021	16,000	1,053,857	1,069,857
Profit for the year	-	69,934	69,934
At 31 December 2021	**16,000**	**1,123,791**	**1,139,791**

*The retained earnings at 1 January 2019, 31 December 2019 and 31 December 2020 have been restated to include the retained earnings of IFP International Fender Providers Limited, following the cross-border merger with International Fender Providers Ltd.

Statement of cash flows

	Notes	2021	2020 (restated)
		€	€
Operating activities			
Profit before tax		107,910	152,978
Adjustments for:			
Unrealised (gain) loss on foreign exchange differences		(3,709)	99,495
Depreciation expense on property, plant and equipment	12	100,467	174,274
Gain on disposal of property, plant and equipment		-	(4,766)
Interest expense	7	93,156	109,342
		297,824	**531,323**
Changes in working capital:			
Trade and other receivables		481,377	(526,162)
Trade and other payables		940,434	216,778
		1,719,635	**221,939**
Interest paid		(51,820)	(63,482)
Tax (paid) refund		(21,384)	7,478
Net cash generated from operating activities		**1,646,431**	**165,935**
Investing activities			
Payment to acquire property, plant and equipment	12	(135,235)	(34,781)
Proceeds from disposal of property, plant and equipment		-	6,409
Advances (to) from related parties		(198,037)	691,704
Net cash (used in) generated from investing activities		**(333,272)**	**663,332**
Financing activities			
Repayments of bank loan		(118,274)	(101,748)
Advances to related parties		-	(406,136)
Interest paid		(41,336)	(45,860)
Net cash used in financing activities		**(159,610)**	**(553,744)**
Cash and cash equivalents before the effects of foreign exchange differences		1,153,549	275,523
Effects of foreign exchange differences		(212,583)	154,336
Net change in cash and cash equivalents		**940,966**	**429,859**
Cash and cash equivalents, beginning of year		(1,554,231)	(1,984,090)
Cash and cash equivalents, end of year	14	**(613,265)**	**(1,554,231)**

Notes to the financial statements

1 Nature of operations

International Fender Providers Ltd (the 'company') was registered on 2 April 2015.

The company is engaged in the provision of ship-to-ship fendering and bunkering services and hiring of fendering equipment.

2 General information and statement of compliance with International Financial Reporting Standards (IFRSs)

The company, a private exempt limited liability company, is incorporated and domiciled in Malta. The address of the company's registered office, which is also its principal place of business is, 10 Timber Wharf, Marsa MRS 1443, Malta.

The company is wholly owned by Endo Ventures Ltd (the 'parent company'), a company incorporated and domiciled in Malta, which is of the same registered address and principal place of business. Endo Ventures Limited draws up the consolidated financial statements of the group of which the company forms part.

The financial statements of the company have been prepared in accordance with IFRS as adopted by the European Union, and in accordance with the Companies Act, Cap 386.

The financial statements are presented in euro (€), which is also the functional currency of the company.

3 New or revised standards or interpretations

3.1 New standards adopted as at 1 January 2021

Some accounting pronouncements which have become effective from 1 January 2021 and have therefore been adopted do not have a significant impact on the company's financial results or position.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the company

At the date of authorisation of these financial statements, certain new standards, amendments, and interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the company.

Management anticipates that all relevant pronouncements will be adopted in the company's accounting policies for the first period beginning after the effective date of the pronouncement. No new standards, amendments and interpretations are expected to have a material impact on the company's financial statements.

4 Summary of accounting policies

4.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

The accounting policies are consistent with those applied in previous years.

The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are described below.

The financial statements are presented in accordance with IAS 1 'Presentation of Financial Statements' (Revised 2007). The company did not have any items classified as 'other comprehensive income' and consequently management have elected to present only an income statement.

4.2 Revenue

Revenue is derived from the provision of ship-to-ship fendering and bunkering services and hiring of fendering equipment.

To determine whether to recognise revenue, the company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The company enters into transactions involving services. In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone prices. The transaction price for a contract excludes any amounts collected on behalf of third parties, VAT and trade discounts.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by providing the promised services to its customers.

4.3 Operating expenses

Operating expenses are recognised in the income statement upon utilisation of the service or at the date of their origin.

4.4 Employee benefits

Contributions towards the state pension in accordance with local legislation are recognised in the income statement when they are due.

4.5 Borrowing costs

Borrowing costs primarily comprise interest on the company's borrowings. Borrowing costs are expensed in the period in which they are incurred and reported within 'finance costs'.

4.6 Foreign currency translation

Foreign currency transactions are translated into the functional currency of the company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the income statement.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date).

4.7 Business combinations

A merger of entities under common control is accounted for by applying the pooling of interests method (predecessor accounting). Under this method, the financial statement items of the combining entities for the period in which the combination occurs and for any comparative periods disclosed are included in the financial statements of the company (the acquirer) as if they had been combined from the beginning of the earliest period presented. Any difference between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount recorded for the share capital acquired is adjusted against reserves.

4.8 Property, plant and equipment

Property, plant and equipment are initially recorded at cost. They are subsequently stated at cost less accumulated depreciation and impairment losses.

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in the income statement in the period of derecognition.

Depreciation is provided at rates intended to write off the cost of the assets over their expected useful lives. The annual rates used are as follows:

Motor vehicle	10% Straight Line
Other equipment	25 - 50% Straight Line
Fenders	10% Straight Line
Hoses	12.5% - 25% Straight Line
Hardware	25% Straight Line

4.9 Financial instruments

Recognition and derecognition

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

• amortised cost
• fair value through profit or loss (FVTPL), or
• fair value through other comprehensive income (FVOCI).

The company does not have any financial assets categorised as FVTPL and FVOCI in the periods presented.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in the income statement are presented within 'finance costs' or 'finance income'.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents and trade and most receivables fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

.'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The company's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company designates a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in the income statement are included within 'finance costs' or 'finance income'.

4.10 Impairment of non-financial assets

The carrying amounts of the company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. 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.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.11 Income taxes

Tax expense recognised in the income statement comprises the sum of deferred tax and current tax not recognised directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the company and it is probable that reversal will not occur in the foreseeable future.

In addition, tax losses available to be carried forward are assessed for recognition as deferred tax assets.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be able to be utilised against future taxable income. This is assessed based on the company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised directly in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

4.12 Equity

Share capital represents the nominal value of shares that have been issued.

Retained earnings include the current and prior year results as disclosed in the income statement less dividend distributions.

Dividend distributions payable to equity shareholders are included with short-term financial liabilities when the dividends are approved in the general meeting prior to the end of the reporting period.

All transactions with owners are recorded separately within equity.

4.13 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents comprise cash at bank net of bank overdraft.

In the statement of financial position, bank overdraft is shown within borrowings in current liabilities.

4.14 Provisions and contingent liabilities

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the company and they can be measured reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, such as product warranties, legal disputes or onerous contracts. Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Long term obligations are discounted to their present values, where the time value of money is material.

Any reimbursements that the company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

4.15 Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Except as disclosed below, in the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

Significant management judgement

Below is a significant management judgement in applying the accounting policies of the company that has an effect on the financial statements.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the possibility of the company's future taxable income against which the deferred tax assets can be utilised. Refer to note 18 for the composition of the company's deferred tax assets.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to physical wear and tear, technical, technological, or commercial obsolescence.

Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

5 Business combinations

5.1 Cross-border merger by absorption of IFP International Fender Providers Limited

By virtue of section 344 of the Companies Act, Cap 386, International Fender Providers Limited merged with IFP International Fender Providers Limited. On amalgamation taking effect as aforesaid, IFP International Fender Providers Limited ceased to exist without being wound up and its assets and liabilities were taken over by International Fender Providers Ltd.

Since both companies were entities under common control, the provisions of IFRS 3 did not apply. Therefore, the acquisition was accounted for using the pooling of interests method as explained in note 4.7.

Assets and liabilities contributed by IFP International Fender Providers Limited as at 1 January 2021, the effective date of the cross-border merger for accounting purposes, were as follows:

	€
Total assets	253,334
Total liabilities	(109,301)
Net assets	**144,033**

The results contributed by IFP International Fender Providers Limited in 2020 were as follows:

	€
Revenue	342,820
Profit before tax	10,641

6 Other income

Other income consists of the following:

	2021	2020 (restated)
	€	€
Gain on disposal of property, plant and equipment	-	4,766
Other income	1,400	10,237
	1,400	**15,003**

7 Finance costs

The following amounts have been included in the income statement for the reporting periods presented:

	2021	2020 (restated)
	€	€
Interest expense on bank overdraft	51,820	63,482
Interest expense on bank loan	41,336	45,860
Total finance costs	**93,156**	**109,342**

8 Profit before tax

	2021	2020 (restated)
	€	€
Profit before tax is stated after charging (crediting):		
Directors' remuneration	103,655	103,596
Depreciation expense on property, plant and equipment	100,467	174,274
Unrealised (gain) loss on foreign exchange differences	(3,709)	99,495
Auditors' remuneration	3,000	6,150

9 Staff costs

	2021	2020 (restated)
	€	€
Wages and salaries	442,965	509,893
Social security costs	115,840	16,572
Wages recharged	(196,223)	(185,270)
	362,582	**341,195**

The average number of persons employed by the company during the year was 7 (2020: 7).

10 Tax expense

The relationship between the expected tax expense based on the effective tax rate of the company at 35% (2020: 35%) and the actual tax expense recognised in the income statement can be reconciled as follows:

	2021 €	2020 (restated) €
Profit before tax	107,910	152,978
Tax rate	35%	35%
Expected tax expense	**(37,769)**	**(53,542)**
Adjustments for the tax effects of:		
Non-taxable income	-	5,970
Non-deductible expenses	(207)	(8,041)
Tax credit relief	-	34,609
Other permanent differences	-	3,054
Actual tax expense, net	**(37,976)**	**(17,950)**
Comprising:		
Current tax expense	(37,603)	(54,952)
Deferred tax (expense) income	(373)	37,002
	(37,976)	**(17,950)**

Please refer to note 17 for information on the entity's deferred tax asset (liability).

11 Dividends

No dividends were declared in 2021.

On 31 December 2020, the company declared dividends of € 100,000 to its equity shareholders. This represents a payment of € 6.25 per share. Dividends payable are included in 'Amounts owed to related parties' under 'Trade and other payables' in the statement of financial position.

12 Property, plant and equipment

	Motor vehicles €	Other equipment €	Fenders €	Hoses €	Hardware €	Total €
Cost						
At 1 January 2019	60,525	96,215	1,374,542	656,047	-	2,187,329
Additions	-	-	536	-	1,028	1,564
Disposals	-	(8,987)	-	-	-	(8,987)
At 31 December 2019	**60,525**	**87,228**	**1,375,078**	**656,047**	**1,028**	**2,179,906**
At 1 January 2020	60,525	87,228	1,375,078	656,047	1,028	2,179,906
Additions	-	-	-	34,104	677	34,781
Disposals	-	-	-	(9,856)	-	(9,856)
At 31 December 2020	**60,525**	**87,228**	**1,375,078**	**680,295**	**1,705**	**2,204,831**
At 1 January 2021	60,525	87,228	1,375,078	680,295	1,705	2,204,831
Additions	-	49,226	-	86,009	-	135,235
At 31 December 2021	**60,525**	**136,454**	**1,375,078**	**766,304**	**1,705**	**2,340,066**

	Motor vehicles €	Other equipment €	Fenders €	Hoses €	Hardware €	Total €
Depreciation						
At 1 January 2019	48,508	53,977	795,028	474,585	-	1,372,098
Charge for the year	4,404	9,973	97,207	112,047	514	224,145
At 31 December 2019	**52,912**	**63,950**	**892,235**	**586,632**	**514**	**1,596,243**
At 1 January 2020	52,912	63,950	892,235	586,632	514	1,596,243
Charge for the year	4,403	7,829	94,117	67,499	426	174,274
Released on disposal	-	-	-	(8,213)	-	(8,213)
At 31 December 2020	**57,315**	**71,779**	**986,352**	**645,918**	**940**	**1,762,304**
At 1 January 2021	57,315	71,779	986,352	645,918	940	1,762,304
Charge for the year	3,210	27,456	48,455	20,920	426	100,467
At 31 December 2021	**60,525**	**99,235**	**1,034,807**	**666,838**	**1,366**	**1,862,771**
Net book value						
At 31 December 2019	**7,613**	**23,278**	**482,843**	**69,415**	**514**	**583,663**
At 31 December 2020	**3,210**	**15,449**	**388,726**	**34,377**	**765**	**442,527**
At 31 December 2021	**-**	**37,219**	**340,271**	**99,466**	**339**	**477,295**

The amounts at 1 January 2019, 31 December 2019 and 31 December 2020 have been restated to include the property, plant and equipment of IFP International Fender Providers Limited, following the cross-border merger with International Fender Providers Ltd.

13 Trade and other receivables

	2021 €	2020 (restated) €	2019 (restated) €
Trade receivables	304,960	480,324	278,481
Provision for doubtful debts	(2,208)	(2,288)	(2,288)
	302,752	478,036	276,193
Amounts owed by related parties	3,296,475	3,186,676	3,742,887
Accrued income	-	-	11,560
Financial assets at amortised cost	**3,599,227**	**3,664,712**	**4,030,640**
VAT receivable	19,699	20,105	27,084
Prepayments	31,494	26,682	64,308
Total trade and other receivables	**3,650,420**	**3,711,499**	**4,122,032**
Comprising:			
Long-term receivables			
Amounts owed by related parties	3,245,660	3,047,623	3,739,327
	3,245,660	**3,047,623**	**3,739,327**
Trade and other receivables - current	**404,760**	**663,876**	**382,705**

Amounts owed by related parties include: (i) an amount of € 50,815 (2020: € 139,053 and 2019: € 3,560) which are unsecured, interest free and are repayable within one year; and (ii) an amount of € 3,245,660 (2020: € 3,047,623 and 2019: € 3,739,327) which are unsecured, interest free and have no fixed date of repayment.

The carrying values of financial assets at amortised cost are considered a reasonable approximation of fair value.

14 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and statement of cash flows include the following components:

	2021 €	2020 (restated) €	2019 (restated) €
Cash in bank	34,275	472	66,613
Cash and cash equivalents in the statement of financial position	**34,275**	**472**	**66,613**
Bank overdraft	(647,540)	(1,554,703)	(2,050,703)
Cash and cash equivalents in the statement of cash flows	**(613,265)**	**(1,554,231)**	**(1,984,090)**

The company did not have any restrictions on its cash at bank at year end.

The carrying values of cash at bank are considered a reasonable approximation of fair value.

15 Share capital

The share capital of International Fender Providers Ltd consists only of ordinary shares with a par value of € 1. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of International Fender Providers Ltd.

	2021 €	2020 (restated) €	2019 (restated) €
Shares authorised, issued and fully paid up at 31 December			
16,000 ordinary shares at € 1 each	**16,000**	**16,000**	**16,000**

16 Borrowings

	2021 €	2020 (restated) €	2019 (restated) €
Bank overdraft	647,540	1,554,703	2,050,703
Bank loan	693,930	812,204	913,952
Total borrowings	**1,341,470**	**2,366,907**	**2,964,655**
Comprising:			
Due within one year			
Bank overdraft	647,540	1,554,703	2,050,703
Bank loan	119,063	112,517	109,082
	766,603	**1,667,220**	**2,159,785**
Due within two and five years			
Bank loan	**545,917**	**515,897**	**496,967**
Due after five years:			
Bank loan	**28,950**	**183,790**	**307,903**
Borrowings - non-current	**574,867**	**699,687**	**804,870**

Bank overdraft

The company has a bank overdraft facility of € 2,172,402 (2020: € 2,172,402 and 2019: € 2,172,402), equivalent to USD 2,500,000. This facility is secured by a general hypothec over the company's assets, and by guarantees given by a related company. It bears interest at 3.41 % (2020: 3.59% and 2019: 5.51%) per annum.

Bank loan

The company has a loan facility of € 1,000,000 (2020: € 1,000,000 and 2019: € 1,000,000). The loan is secured by a general hypothec over the company's assets, by a special hypothec over property in Sliema, and by the guarantees given by a related company. It bears interest at 5.40% (2020: 5.40% and 2019: 5.15%) per annum. The loan is to be repaid in 8 years through monthly instalments of € 12,800, inclusive of interest.

17 Deferred tax asset (liability)

Deferred taxes arising from temporary differences can be summarised as follows:

	1 January 2021 €	Recognised in income statement €	31 December 2021 €
Non-current assets			
Property, plant and equipment	16,494	953	17,447
Current assets			
Trade receivables	801	(28)	773
Unrealised foreign exchange differences	(15,779)	(1,298)	(17,077)
Total	**1,516**	**(373)**	**1,143**

Deferred taxes for the comparative periods can be summarised as follows:

	1 January 2020 (restated) €	Recognised in income statement (restated) €	31 December 2020 (restated) €
Non-current assets			
Property, plant and equipment	14,315	2,179	16,494
Current assets			
Trade receivables	801	-	801
Unrealised foreign exchange differences	(50,602)	34,823	(15,779)
Total	**(35,486)**	**37,002**	**1,516**

	1 January 2019 (restated) €	Recognised in income statement (restated) €	31 December 2019 (restated) €
Non-current assets			
Property, plant and equipment	10,290	4,025	14,315
Current assets			
Trade receivables	801	-	801
Unrealised foreign exchange differences	(41,894)	(8,708)	(50,602)
Total	**(30,803)**	**(4,683)**	**(35,486)**

Refer to note 10 for information on the company's tax expense.

18 Trade and other payables

	2021 €	2020 (restated) €	2019 (restated) €
Trade payables	575,237	429,491	265,884
Amounts owed to related parties	1,047,276	198,105	475,281
Accruals	5,180	12,397	57,999
Financial liabilities measured at amortised cost	**1,627,693**	**639,993**	**799,164**
Deferred income	6,900	25,825	-
Indirect taxes	29,644	48,965	14,188
Other payables	15,000	18,051	-
Total trade and other payables	**1,679,237**	**732,834**	**813,352**
Comprising:			
Long-term payables			
Amounts owed to related parties	-	-	406,136
	-	**-**	**406,136**
Trade and other payables - current	**1,679,237**	**732,834**	**407,216**

Amounts owed to related parties include: (i) an amount of € 1,047,276 (2020: € 198,105 and 2019: € 69,145) which are unsecured, interest free and are repayable within one year; and (ii) an amount of € nil (2020: € nil and 2019: € 407,136) which are unsecured, interest free and have no fixed date of repayment.

The carrying values of financial liabilities measured at amortised cost are considered a reasonable approximation of fair value.

19 Contingent liabilities

The company serves as a guarantor of Endo Finance p.l.c.'s debt securities in issue of € 13,500,000 4.5% bonds of € 50,000 nominal value each, redeemable at par in 2029.

20 Related party transactions

The company's related parties include its parent company, subsidiary, fellow subsidiaries, companies under common control, shareholders, directors and key management personnel.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantee was given or received. Transactions with related companies are generally effected on a cost plus basis. Outstanding balances are usually settled in cash. Amounts owed by/to related parties are shown separately in notes 13 and 18.

Details of transactions between the company and its related companies are disclosed below. Directors' remuneration is disclosed in note 8.

20.1 Transactions with parent company

	2021	2020 (restated)	2019 (restated)
	€	€	€
Dividends	-	100,000	-

20.2 Transactions with group companies

	2021	2020 (restated)	2019 (restated)
	€	€	€
Purchases from	90,058	-	-

20.3 Transactions with other related parties

	2021	2020 (restated)	2019 (restated)
	€	€	€
Expenses recharged from – net	11,597	7,866	64,488
Purchases from	946,377	1,620,297	29,242
Revenue from conveyance	1,500	4,500	-
Wages recharged from	38,883	31,448	49,584
Director's fees recharged from	103,655	103,596	92,680

21 Risk management objectives and policies

The company is exposed to credit risk, liquidity risk and market risk through its use of financial instruments, which result from both its operating and investing activities. The company's risk management is coordinated by the directors and focuses on actively securing the company's short to medium term cash flows by minimising the exposure to financial risks.

The most significant financial risks to which the company is exposed are described below. See also note 21.5 for a summary of the company's financial assets and liabilities by category.

21.1 Credit risk

The company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the end of the reporting period, as summarised below:

	Notes	2021	2020 (restated)	2019 (restated)
		€	€	€
Classes of financial assets - carrying amounts				
Financial assets at amortised cost:				
- Trade receivables	13	302,752	478,036	276,193
- Amounts owed by related parties	13	3,296,475	3,186,676	3,742,887
- Accrued income	13	-	-	11,560
- Cash and cash equivalents	14	34,275	472	66,613
		3,633,502	**3,665,184**	**4,097,253**

The company continuously monitors defaults of counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The company's policy is to deal only with creditworthy counterparties.

The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. None of the company's financial assets is secured by collateral or other credit enhancements.

Trade receivables

To determine the expected credit losses of trade receivables, the company prepared a provision matrix based on the company's historically observed default rates over the expected life of the trade receivables adjusted for forward-looking estimates. Thereafter, at each reporting date, the default of rates and any changes in the forward-looking estimates analysis should be updated.

The company has also taken into consideration the financial position of, and risk exposure to, large customers in order to determine whether the company's credit risk has increased as a result of the pandemic. There are no particular indicators that suggest that the assessment of the expected credit risk model adopted by the company materially varies from expectations of collectability and previous patterns of payments from such customers.

On the above basis the expected credit loss for trade receivables as at 31 December 2021, 2020 and 2019 was determined as follows:

31 December 2021	Current	1 - 30 days	31 - 60 days	61 - 90 days	More than 90 days	Total
Expected credit loss rate (%)	0.4%	0.8%	1.1%	1.5%	5.0%	
Gross carrying amount (€)	154,232	79,978	67,450		3,300	304,960
Lifetime expected credit loss	573	581	773	-	166	2,093

31 December 2020	Current	1 - 30 days	31 - 60 days	61 - 90 days	More than 90 days	Total
Expected credit loss rate (%)	0.4%	0.8%	1.1%	1.5%	5.0%	
Gross carrying amount (€)	223,834	237,594	8,339	-	10,557	480,324
Lifetime expected credit loss	895	1,901	92	-	528	3,416

31 December 2019	Current	1 - 30 days	31 - 60 days	61 - 90 days	More than 90 days	Total
Expected credit loss rate (%)	0.6%	1.0%	1.4%	1.5%	5.0%	
Gross carrying amount (€)	138,835	82,281	30,675	-	26,690	278,481
Lifetime expected credit loss	833	823	429	-	1,335	3,420

All trade receivables that have shown objective evidence of impairment have been provided for in full.

No adjustment for expected credit losses has been made in these financial statements since the amounts are not material.

Amounts owed by related parties

To determine the expected credit losses of amounts owed by related parties, the company used a credit risk assessment model by taking into consideration the probability of default for each counterparty in which the company has a financial exposure and the loss given default i.e., the maximum loss in the event that the counterparty fails to settle the obligation.

The model is based on the 'Capital, Assets, Management, Earnings and Liquidity' Model (C-A-M-E-L) approach, whereby reasoned weights are allocated to each of the variables as measured by information extracted from financial reports, as well as relevant non-financial information.

Each component of the C-A-M-E-L model is assigned a percentage weight and score. The assigned percentage weight and score are multiplied to obtain the weighted score for each component. The weighted scores are then added up to obtain the credit risk assessment score. As practical as possible, each component of the C-A-M-E-L assessment was compared and benchmarked with peer companies within Europe.

The credit risk assessment is adjusted to include forward-looking macroeconomic indicators. Macroeconomic factors affect the current and future performance of the company. The most influential factors are GDP growth, unemployment rate (positively correlated) and inflation (negatively correlated).

Following the results of the credit risk assessment adjusted for the macroeconomic factors, this score is then assigned a probability of default estimated based on exchange listed firms in various economies over a period of 30 years.

The resulting expected credit loss was not material. Therefore, no adjustment has been made in these financial statements.

Other financial assets at amortised cost

Other financial assets at amortised cost include cash and cash equivalents.

The company banks with a local institution. At 31 December 2021, cash at bank amounting to € 34,275 (2020: € 472 and 2019: € 66,613) are held with a local counterparty with credit rating of A-2 to A-3 and are callable on demand. Management considers the probability of default to be close to zero as the counterparty has a strong capacity to meet its contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be insignificant to the company.

While the company continues to closely monitor all of its financial assets at more frequent interval as a result of such events, based on the above assessments, management considers that there is no need to provide for expected credit losses in these financial statements.

21.2 Liquidity risk

The company's exposure to liquidity risks arises from its obligations to meet financial liabilities, which comprise borrowings and trade and other payables. Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funding to meet the entity's obligations when they become due.

The company monitors its cash flow requirements on a daily basis and ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

The following are the contractual maturities of financial liabilities measured at amortised cost including estimated future interest payments:

	Carrying amount	Contractual cash flows	Within 1 year	Within 2 to 5 years	More than 5 years
	€	€	€	€	€
At 31 December 2021					
Bank overdraft	647,540	647,540	647,540	-	-
Bank loan	693,930	796,950	153,600	614,400	28,950
Trade payables	575,237	575,237	575,237	-	-
Amounts owed to related parties	1,047,276	1,047,276	1,047,276	-	-
Accruals	5,180	5,180	5,180	-	-
	2,969,163	**3,072,183**	**2,428,833**	**614,400**	**28,950**
At 31 December 2020 as restated					
Bank overdraft	1,554,703	1,554,703	1,554,703	-	-
Bank loan	812,204	958,403	153,600	614,400	190,403
Trade payables	429,491	429,491	429,491	-	-
Amounts owed to related parties	198,105	198,105	198,105	-	-
Accruals	12,397	12,397	12,397	-	-
	3,006,900	**3,153,099**	**2,348,296**	**614,400**	**190,403**
At 31 December 2019 as restated					
Bank overdraft	2,050,703	2,050,703	2,050,703	-	-
Bank loan	913,952	1,093,686	153,600	614,400	325,686
Trade payables	265,884	265,884	265,884	-	-
Amounts owed to related parties	475,281	475,281	69,145	406,136	-
Accruals	57,999	57,999	57,999	-	-
	3,763,819	**3,943,553**	**2,597,331**	**1,020,536**	**325,686**

21.3 Foreign currency risk

Most of the company's transactions are carried out in Euros. Exposure to currency exchange rates arise from the company's purchases from foreign suppliers, sales to foreign customers and bank overdraft, which are denominated in US dollars (USD).

Foreign currency denominated financial assets and liabilities, translated into Euro at the closing rate, are as follows:

	USD		
	2021	2020 (as restated)	2020 (as restated)
	€	€	€
Financial assets	298,847	417,367	138,200
Financial liabilities	(647,540)	(1,554,702)	(2,050,703)
Short-term exposure	**(348,693)**	**(1,137,335)**	**(1,912,503)**

On the basis of the average market volatility in exchange rates in the previous 12 months, if the Euro had strengthened or weakened against the USD by 3% (2020: 2% and 2019: 5%) then this would have had the following impact on the net result for the year.

	2021	2020 (as restated)	2020 (as restated)
	€	€	€
Net result for the year	+/- 11,953	+/- 22,747	+/- 95,625

Exposure to foreign exchange rates varies during the year depending on the volume of transactions in foreign currencies. Nonetheless, the analysis above is considered to be representative of the company's exposure to currency risk.

21.4 Interest rate risk

The entity's exposure to interest rate risk is limited to the variable interest rates on borrowings. Based on observations of current market conditions, the directors consider an upward or downward movement in interest of 1% to be reasonably possible. The potential impact of such a movement on the net result for the year is € 13,415 (2020: € 23,669 and 2019: € 29,646).

21.5 Summary of financial assets and liabilities by category

The carrying amounts of the company's financial assets and liabilities as recognised at the reporting dates under review may also be categorised as follows. See note 4.9 for explanations about how the category of financial instruments affects their subsequent measurement.

	Notes	2021	2020 (restated)	2019 (restated)
		€	€	€
Non-current assets				
Financial assets at amortised cost:				
- Amounts owed by related parties	13	3,245,660	3,047,623	3,739,327
		3,245,660	**3,047,623**	**3,739,327**
Current assets				
Financial assets at amortised cost:				
- Trade receivables	13	302,752	478,036	276,193
- Amounts owed by related parties	13	50,815	139,053	3,560
- Accrued income	13	-	-	11,560
- Cash and cash equivalents	14	34,275	472	66,613
		387,842	**617,561**	**357,926**

	Notes	2021	2020 (restated)	2019 (restated)
		€	€	€
Non-current liabilities				
Financial liabilities measured at amortised				
- Borrowings	16	574,867	699,687	804,870
- Amounts owed to related parties	18	-	-	406,136
		574,867	**699,687**	**1,211,006**
Current liabilities				
Financial liabilities measured at amortised				
- Borrowings	16	766,603	1,667,220	2,159,785
- Trade payables	18	575,237	429,491	265,884
- Amounts owed to related parties	18	1,047,276	198,105	69,145
- Accruals	18	5,180	12,397	57,999
		2,394,296	**2,307,213**	**2,552,813**

22 Capital management policies and procedures

The company's capital management objectives are to ensure its ability to continue as a going concern and to provide an adequate return to shareholders by pricing services commensurately with the level of risk, and maintaining an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid, issue new shares or sell assets to reduce debt.

The company monitors the level of debt, which includes trade and other payables less cash and cash equivalents, against total capital on an ongoing basis.

23 Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the end of the reporting period and the date of authorisation.

Independent auditor's report

To the shareholders of International Fender Providers Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of International Fender Providers Ltd set out on pages 4 to 27 which comprise the statement of financial position as at 31 December 2021, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), and have been properly prepared in accordance with the requirements of the Companies Act, Cap. 386 (the "Act").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act, Cap. 281 that are relevant to our audit of the financial statements in Malta. 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.

Responsibilities of those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS as adopted by the EU and are properly prepared in accordance with the provisions of the Act, 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 relating 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.

The directors are responsible for overseeing the company's financial reporting process.

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 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.

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also have responsibilities under the Companies Act, Cap 386 to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report to you in respect of these responsibilities.

The engagement partner on the audit resulting in this independent auditor's report is Sharon Causon.

Causon

Sharon Causon (Partner) for and on behalf of

GRANT THORNTON
Certified Public Accountants

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28 April 2022