SEYCHELLES PRELUDE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2014

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CORPORATE INFORMATION

DIRECTORS	:	S Fanny F Joubert B Jivan
SECRETARY	:	CW Support Limited Bank Chambers 15-19 Athol Street, Douglas Isle of Man, IM1 1LB
REGISTERED OFFICE	:	Bank Chambers 15-19 Athol Street, Douglas Isle of Man, IM1 1LB
PRINCIPAL PLACE OF BUSINESS	:	Seychelles Petroleum Company Limited New Port, Mahé Seychelles
AUDITORS	:	BDO Associates Chartered Accountants P O Box 18, Mahé Seychelles
BANKER	:	KfW IPEX - Bank GmbH Palmengartenstraße 5-9 60325 Frankfurt am Main Germany

The Directors have pleasure in submitting their report on Seychelles Prelude Limited together with the audited financial statements of the Company for the year ended December 31, 2014.

PRINCIPAL ACTIVITY

The Company is engaged in the rental of its double hull tanker to its holding Company, Seychelles Petroleum Company Limited, under a bareboat charter agreement for the transportation of petroleum products and chemicals.

There has been no significant change in the nature of this principal activity during the financial year under review.

RESULTS

	€
Loss for the year	(1,897,507)
Revenue deficit brought forward	(3,414,282)
Revenue deficit carried forward	**(5,311,789)**

DIVIDENDS

The Directors did not recommend the payment of any dividend for the year under review (2013: Nil).

EQUIPMENT

The Board is of the opinion that the fair value of the double hull tanker as at December 31, 2014 does not differ materially from its carrying amount at the end of the reporting period.

DIRECTORS AND DIRECTORS' INTEREST

The Directors of the Company from the date of the last report to-date are:
S Fanny
F Joubert
B Jivan

None of the Directors has any direct or indirect interest in the shares of the Company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the overall management of the affairs of the Company including the operations and investment decisions.

The Board is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the Isle of Man Companies Acts, 1931 to 2004. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that fall within the accounting policies adopted by the Group; and making accounting estimates that are reasonable in the circumstances. The Directors have the general responsibility of safeguarding the assets, both owned by the Company and those that are held in trust and used by the Company.

The Directors consider they have met their aforesaid responsibilities.

AUDITORS

The retiring auditors, BDO Associates being eligible offer themselves for re-appointment.

BOARD APPROVAL

S Fanny	**F Joubert**	**B Jivan**
Director	Director	Director

Date: 01 OCT 2015
Victoria, Seychelles

BDO

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SEYCHELLES PRELUDE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of the Company, as a body, in terms of our engagement to conduct the audit on their behalf. Our audit work has been undertaken so that we might state to the members those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of **Seychelles Prelude Limited** set out on pages 4 to 18 which comprise the Statement of Financial Position as at December 31, 2014, the Statement of Profit or Loss, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and explanatory notes.

Board's Responsibility for the Financial Statements

As stated on page 2(a) of the Director's Report, the Board of Directors are responsible for preparation of the financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on those financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

SEYCHELLES PRELUDE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (CONT'D)

Opinion

In our opinion, the financial statements on pages 4 to 18 give a true and fair view of the financial position of the Company at December 31, 2014 and of its financial performance and its cash flows for the year then ended in compliance with International Financial Reporting Standards and in accordance with the provisions of the Isle of Man Companies Acts, 1931 to 2004.

Emphasis of matter

Going concern

The Company had shareholders' deficit and net current liabilities of **€ 5.3M** (2013: € 3.4M) and **€ 0.04M** (2013: € 0.03M) respectively. The main shareholder has confirmed its continuous financial support to the Company and consequently the financial statements have been prepared on a going concern basis.

Our opinion is not qualified in this respect

BDO Associates
BDO ASSOCIATES
Chartered Accountants

Date: 01 OCT 2015
Victoria, Seychelles

STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2014

	Notes	2014	2013
		€	€
Non-current asset			
Equipment	5	22,428,034	25,261,042
Current asset			
Cash at bank		1,248	711
Total assets		22,429,282	25,261,753
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	6	2,900	2,900
Revenue deficit		(5,311,789)	(3,414,282)
Owners' deficit		(5,308,889)	(3,411,382)
LIABILITIES			
Non-current liability			
Borrowings	7	27,701,639	28,643,936
Current liabilities			
Other payables		36,532	29,199
Total liabilities		27,738,171	28,673,135
Total equity and liabilities		22,429,282	25,261,753

These financial statements have been approved for issue by the Board of Directors on 01 OCT 2015

S Fanny
Director

F Joubert
Director

B Jivan
Director

The notes on pages 8 to 18 form an integral part of these financial statements.
Auditors' report on pages 3 and 3(a).

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME -YEAR ENDED DECEMBER 31, 2014

	Notes	2014	2013
		€	€
Revenue	2(h)	3,034,154	3,024,342
Cost of sales	8	(2,833,008)	(2,833,008)
Gross profit		201,146	191,334
Administrative expenses	8	(194,961)	(127,807)
Net foreign exchange (loss)/gain		(1,402,852)	483,562
(Loss)/Profit from operations		(1,396,667)	547,089
Interest expense		(500,840)	(455,403)
(Loss)/Profit and total comprehensive (loss)/income for the year	9	(1,897,507)	91,686

The notes on pages 8 to 18 form an integral part of these financial statements.
Auditors' report on pages 3 and 3(a).

STATEMENT OF CHANGES IN EQUITY - YEAR ENDED DECEMBER 31, 2014

	Share Capital	Revenue deficit	Total
	€	€	€
At January 1, 2014	**2,900**	**(3,414,282)**	**(3,411,382)**
Total comprehensive loss for the year	**-**	**(1,897,507)**	**(1,897,507)**
At December 31, 2014	**2,900**	**(5,311,789)**	**(5,308,889)**
At January 1, 2013	2,900	(3,505,968)	(3,503,068)
Total comprehensive income for the year	-	91,686	91,686
At December 31, 2013	2,900	(3,414,282)	(3,411,382)

The notes on pages 8 to 18 form an integral part of these financial statements.
Auditors' report on pages 3 and 3(a).

STATEMENT OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2014

	Note	2014	2013
		€	€
Cash generated from operations			
(Loss)/Profit for the year		(1,897,507)	91,686
Adjustments for:			
Interest expense		500,840	455,403
Depreciation	5	2,833,008	2,833,008
		1,436,341	3,380,097
Changes in working capital			
-Increase/(Decrease) in other payables		7,333	(4,130)
Net cash inflow from operating activities		1,443,674	3,375,967
Cash flows from financing activities			
Interest paid		(500,840)	(455,403)
Repayment of borrowings		(942,297)	(2,922,439)
Net cash outflow from financing activities		(1,443,137)	(3,377,842)
Net increase/(decrease) in cash and cash equivalents		537	(1,875)
At January 1,		711	2,586
Increase/(Decrease)		537	(1,875)
At December 31,		1,248	711

The notes on pages 8 to 18 form an integral part of these financial statements.
Auditors' report on pages 3 and 3(a).

1. GENERAL INFORMATION

Seychelles Prelude Limited is a limited liability Company incorporated and domiciled in the Isle of Man. The Company rents its double hull tanker to its holding Company, (Seychelles Petroleum Company Limited), on a bareboat charter agreement for the transportation of chemicals and petroleum products. Its registered office is situated at Bank Chambers, 15-19 Athol Street, Douglas, Isle of Man IM1 1LB.

These financial statements will be submitted for consideration and approval at the forthcoming Annual General Meeting of Shareholders of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of **Seychelles Prelude Limited** comply with the Isle of Man Companies Acts, 1931 to 2004 and have been prepared in accordance with International Financial Reporting Standards (IFRS). These financial statements are prepared under the historical cost convention, except that borrowings, loans and receivables and other financial assets and financial liabilities are carried at amortised cost.

Standards, Amendments to published Standards and Interpretations effective in the reporting period

Amendments to IAS 32, 'Offsetting Financial Assets and Financial Liabilities', clarify the requirements relating to the offset of financial assets and financial liabilities. *The amendment is not expected to have any impact on the Company's financial statements.*

Amendments to IFRS 10, IFRS 12 and IAS 27, 'Investment Entities', define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. Consequential amendments have been made to IFRS 12 and IAS 27 to introduce new disclosure requirements for investment entities. As the Company is not an investment entity, *the standard has no impact on the Company's financial statements.*

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what obligating event that gives rise to pay a levy and when should a liability be recognised. *The Company is not subject to levies so the interpretation has no impact on the Company's financial statements.*

Amendments to IAS 36, 'Recoverable Amount Disclosures for Non- financial Assets', remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated. *The amendment has no impact on the Company's financial statements.*

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (Cont'd)

Standards, Amendments to published Standards and Interpretations effective in the reporting period

Amendments to IAS 39, 'Novation of Derivatives and Continuation of Hedge Accounting', provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness. *The amendment has no impact on the Company's financial statements.*

Annual Improvements 2010-2012 Cycle

IFRS 13 (Amendment), 'Fair Value Measurement' clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. *The amendment has no impact on the Company's financial statements.*

Annual Improvements 2011-2013 Cycle

IFRS 13 (Amendment), 'First-time Adoption of International Financial Reporting Standards' clarifies in the Basis for Conclusions that an entity may choose to apply either a current standard or a new standard that is not yet mandatory, but permits early application, provided either standard is applied consistently throughout the periods presented in the entity's first IFRS financial statements. *The amendment has no impact on the Company's financial statements, since the Company is an existing IFRS preparer.*

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2015 or later periods, but which the Company has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

IFRS 9 Financial Instruments
IAS 32 Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)
Annual Improvements to IFRSs 2010-2012 cycle
Annual Improvements to IFRSs 2011-2013 cycle
IFRS 14 Regulatory Deferral Accounts
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
IFRS 15 Revenue from Contract with Customers

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (Cont'd)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (Cont'd)

Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41)
Equity Method in Separate Financial Statements (Amendments to IAS 27)
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
Annual Improvements to IFRSs 2012-2014 Cycle

Where relevant, the Company is still evaluating the effect of these Standards, amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

(b) Equipment

Equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight line method to write off the cost of the asset, to its residual value over its estimated useful life as follows:

Double hull tanker	15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of equipment are determined by comparing proceeds with carrying amount and are included in the statement of Profit or Loss.

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(c) Financial instruments

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company has become a party to the contractual provisions of the instrument. The Company's accounting policies in respect of the main financial instruments are set out below.

(i) Borrowings

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred.

Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of Profit or Loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the date of the reporting

(ii) Other payables

Other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

(iii) Share capital

Ordinary shares are classified as equity.

(d) Foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using Euro, the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Euro, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of profit or loss.

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(d) Foreign currencies (Cont'd)

Transactions and balances (Cont'd)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

(e) Deferred income tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred tax is determined using tax rates that have been enacted by the end of the reporting period and are expected to apply in the period when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

(f) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(g) Operating leases

Assets leased out under operating leases are recognised as equipment in the Statement of Financial Position. They are depreciated over their expected useful lives on a basis consistent with similar fixed assets.

(h) Revenue recognition

Revenue represents rental income from the lease of the Company's double hull tanker. Rental income is recognised on a straight line basis over the lease term.

2. PRINCIPAL ACCOUNTING POLICIES (CONT'D)

(i) Provisions

Provisions are recognised when the Company has a present or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The company's activity exposes it to a variety of financial risks, including:
- Currency risk;
- Liquidity risk;
- Interest rate risk; and
- Credit risk

A description of the significant risk factors is given below together with the risk management policies applicable.

(i) Currency risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars.

If the Euro had weakened/strengthened against the US Dollar by ±5% with all other variables remaining constant, the impact on the results for the year would have been **±€ 609,198** (2013: ±€ 539,029) mainly as a result of foreign exchange (losses)/gains on translation of US dollar denominated borrowings.

(ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company aims at maintaining flexibility in funding by keeping committed credit lines available.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors (Cont'd)

(ii) Liquidity risk (Cont'd)

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	€'000	€'000	€'000	€'000	€'000
At December 31, 2014					
Bank loan	-	-	**12,184**	-	**12,184**
Shareholders' loan	-	-	-	**15,518**	**15,518**
Other payables	**37**	-	-	-	**37**
At December 31, 2013					
Bank loan	-	-	5,678	7,433	13,111
Shareholders' loan	-	-	-	17,863	17,863
Other payables	29	-	-	-	29

(iii) Interest rate risk

The Company's income and operating cash flows are exposed to interest rate risk as it sometimes borrows at variable rates.

At December 31, 2014, if interest rates on floating rate borrowings had been ±0.10% higher/(lower) with all other variables held constant, results for the year would have been higher/(lower) by **Euro'000 50** (2013: Euro'000 46) due to impact on interest expense on loans.

(iv) Credit risk

The Company is not exposed to credit risk since its only customer is its holding Company which is financially sound.

3.2 Fair value estimation

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cashflows at the current market interest rate that is available to the Company for similar financial instruments.

3.3 Capital Risk Management

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Capital Risk Management (Cont'd)

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of the changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the gearing ratio which is the net debt divided by total capital plus debt. Net debt is calculated as total debts (as shown in the statement of financial position) less cash at bank.

During 2014, the Company's strategy, which was unchanged from 2013, was to maintain the gearing ratio at a reasonable level in order to secure access to finance at a reasonable cost.

The net debt at December 31, 2014 and at December 31, 2013 were as follows:

	2014	2013
	€'000	€'000
Total debt	27,702	28,644
Less: cash and cash equivalents	(1)	(1)
Net debt	27,701	28,643
Total capital	3	3
Net debt	27,701	28,643
Total capital plus debt	27,704	28,646
Gearing ratio	100%	100%

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. However, in the financial statements, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. EQUIPMENT

	Double hull tanker	
	2014	2013
	€	€
Cost		
At January 1, and At December 31,	**42,495,178**	42,495,178
Accumulated depreciation		
At January 1,	**17,234,136**	14,401,128
Charge for the year	**2,833,008**	2,833,008
At December 31,	**20,067,144**	17,234,136
Net book value	**22,428,034**	25,261,042

(a) Depreciation has been fully charged to cost of sales.

(b) The double hull tanker has been pledged as security for bank borrowings.

6. SHARE CAPITAL

	2014 & 2013
	€
Authorised, issued and fully paid up	
- 2,000 ordinary shares of 1 UK Pound (£) each	**2,900**

7. BORROWINGS

	2014	2013
	€	€
Non current		
Bank loan (notes 7(a) & (b))	**12,183,965**	13,111,722
Amount payable to shareholder (note 7(c))	**15,517,674**	17,863,360
Total borrowings	**27,701,639**	30,975,082

(a) The bank loan is secured on the double hull tanker of the Company. The effective interest rates at the end of the reporting period was 4.66% (2013: 5.81%).

7. BORROWINGS (CONT'D)

(b) The maturity of the non-current bank loan is as follows:

	2014	2013
	€	€
After one year and before two years	-	-
After two years and before five years	12,183,965	9,324,584
After five years	-	783,808
	12,183,965	10,108,392

(c) The amount payable to the shareholder is unsecured, non-interest bearing and has no fixed repayment terms.

(d) The carrying amounts of borrowings are not materially different from their amortised cost.

(e) The carrying amount of the Company's borrowings are denominated in US Dollars.

(f) Exposure of borrowings to interest rate risk and maturity profile are disclosed in note 3.1(iii) and (ii) respectively.

8. EXPENSES BY NATURE

	2014	2013
	€	€
Depreciation	2,833,008	2,833,008
Legal and professional fees	150,789	90,418
Other expenses	44,172	37,389
	3,027,969	2,960,815
Analysed as:		
- Cost of sales	2,833,008	2,833,008
- Administrative expenses	194,961	127,807
	3,027,969	2,960,815

9. LOSS FOR THE YEAR

Loss for the year is arrived at after:

	2014	2013
	€	€
Crediting:		
Rental income	3,034,154	3,116,597
and (charging):		
Depreciation on equipment - owned	(2,833,008)	(2,833,008)
Auditor's remuneration	(2,500)	(2,500)
Directors' remuneration (see note (a) below)	-	-
Interest expense	(500,840)	(455,403)

10. TAXATION

No provision is required for the current year as the Company does not have any taxable income as per the provisions of the Income Tax Act, 1970 (2013: Nil).

11. COMMITMENTS

(a) Capital commitments

There were no capital commitments as at December 31, 2014 (2013: Nil).

(b) Operating lease commitments - where the Company is the lessor

The future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2014	2013
	€	€
Not later than one year	**3,085,566**	3,085,566
Later than one year and not later than five years	**12,342,262**	12,342,262
Later than five years	**-**	2,889,658
	15,427,828	18,317,486

12. RELATED PARTY TRANSACTIONS

(a) Holding company

	2014	2013
	€	€
Amount payable to shareholder	**15,517,674**	17,863,360
Rental income	**3,034,154**	3,116,597

(b) The above transactions have been made at arm's length, on normal commercial terms and in the ordinary course of business.

(c) Outstanding balances at the year-end are unsecured and interest free. There has been no guarantees provided for any related party payables.

13. FIVE YEAR FINANCIAL SUMMARY

	2014	2013	2012	2011	2010
	€'000	€'000	€'000	€'000	€'000
(Loss)/Profit for the year	**(1,898)**	92	(260)	(874)	(1,910)
Revenue deficit brought forward	**(3,414)**	(3,506)	(3,246)	(2,372)	(462)
Revenue deficit carried forward	**(5,312)**	(3,414)	(3,506)	(3,246)	(2,372)
OWNERS' DEFICIT:					
Share capital	3	3	3	3	3
Revenue deficit	**(5,312)**	(3,414)	(3,506)	(3,246)	(2,372)
	(5,309)	(3,411)	(3,503)	(3,243)	(2,369)