

FUEL CARD SERVICES LIMITED

Annual report and financial statements

for the year ended 31 March 2012



Fuel Card Services Limited

Annual report and financial statements for the year ended 31 March 2012

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Fuel Card Services Limited

Directors and advisers for the year ended 31 March 2012

Directors

S Elliott
B M Jordan
D Murphy
S Chesworth

Company secretary

S Elliott

Registered office

Alexandra House
Lawnswood Business Park
Redvers Close
Leeds
LS16 6QY

Bankers

National Westminster Bank Plc
3rd Floor
2 Whitehall Quay
Leeds
LS1 4HR

Solicitors

Pinsent Masons
1 Park Row
Leeds
LS1 5AB

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Benson House
33 Wellington Street
Leeds
LS1 4JP

Fuel Card Services Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2012

Principal activity and business review

The principal activity of the company during the year was the sale and administration of petroleum products through the use of fuel cards

The turnover of the company has increased during the year under review and the directors do not expect any significant change in the nature of the activity of the company in the next financial year

Principal risks and uncertainties

The company is a member of DCC plc and its risks are disclosed in the consolidated financial statements of DCC plc. Operational and financial risks are managed on a group basis

Key Performance indicators (KPIs)

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPIs beyond those ascertainable from the financial statements is not necessary for an understanding of the development, performance or position of the business

Financial risk management policy

Our financial risk management objectives are to ensure sufficient working capital for the company and group. Sufficient working capital is achieved by careful management of our cash balances and debtor and creditor payment terms

Results and dividends

The company's profit after taxation for the year was £7,151,000 (2011 £5,796,000)

Dividends paid and proposed in the year were £13,000,000 (2011 £nil)

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below

S Elliott
B M Jordan
D Murphy
S Chesworth

Fuel Card Services Limited

Directors' report (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 prepared 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.

Disclosure of information to auditors

The directors at the date of approval of this report confirm that

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the board



S Elhott
Company secretary

6th June 2012

Fuel Card Services Limited

Independent auditors' report to the members of Fuel Card Services Limited

We have audited the financial statements of Fuel Card Services Limited for the year ended 31 March 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Fuel Card Services Limited

Independent auditors' report to the members of Fuel Card Services Limited (continued)

Matters on which we are required to report by exception

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

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



Randal Casson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
6th June 2012

Fuel Card Services Limited

Profit and loss account for the year ended 31 March 2012

	Note	31 March 2012 £'000	31 March 2011 £'000
Turnover			
- Continuing operations		618,633	450,655
- Acquisitions		-	77,941
	2	618,633	528,596
Cost of sales	2	(599,853)	(511,502)
Gross profit		18,780	17,094
Administrative expenses	2	(9,154)	(8,845)
Other operating income	2	-	12
Operating profit			
- Continuing operations	2	9,626	6,652
- Acquisitions	2	-	1,609
		9,626	8,261
Interest receivable and similar income	5	98	75
Interest payable and similar charges		-	-
Profit on ordinary activities before taxation	4	9,724	8,336
Tax on profit on ordinary activities	6	(2,573)	(2,540)
Profit for the financial year	16	7,151	5,796

There were no recognised gains or losses other than those set out above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year as stated above and their historical cost equivalents

Fuel Card Services Limited

Balance sheet as at 31 March 2012

	Note	2012 £'000	2011 £'000
Fixed assets			
Tangible assets	8	1,106	1,186
Intangible assets	9	14,674	15,516
		15,780	16,702
Current assets			
Stocks	10	1,866	1,221
Debtors (including £136,000 (2011 £100,000) due after one year)	11	63,042	49,869
Cash at bank and in hand		7,852	483
		72,760	51,573
Creditors: amounts falling due within one year	12	(80,753)	(54,639)
Net current liabilities		(7,993)	(3,066)
Total assets less current liabilities		7,787	13,636
Net assets		7,787	13,636
Capital and reserves			
Called-up share capital	14	20	20
Share premium account	15	40	40
Capital redemption reserve	15	250	250
Profit and loss account	15	7,477	13,326
Total shareholders' funds	16	7,787	13,636

The financial statements on pages 6 to 18 were approved by the board of directors on 6th June 2012 and were signed on its behalf by



B M Jordan
Director



S Elliott
Director

Company Registration No 2107821

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012

1. Accounting policies

A summary of the principal accounting policies is set out below. All of these have been applied consistently throughout the year and with the preceding year.

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of freehold property, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The company is a wholly owned subsidiary company of a group headed by DCC plc, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS 1 (revised 1996) 'Cash flow statements' from preparing a cash flow statement.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets.

Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	5 - 10 years
Motor vehicles	4 - 5 years
Fixtures and equipment	3 - 10 years

Intangible assets

The cost of purchased goodwill in the group is capitalised at cost and written off on a straight line basis over 20 years. Provision is made for any impairment.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Pension costs

The company operates a money purchase pension scheme for certain of the directors, the costs of which are charged to the profit and loss account as incurred. The company also contributes to personal pension schemes for certain of the remaining directors and certain other employees. The assets in the scheme are held separately from those of the company.

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

1. Accounting policies (continued)

Turnover

Turnover comprises the value of sales, excluding VAT and trade discounts, of goods and services in the normal course of business

The turnover is derived wholly from the principal activities of the group conducted within the United Kingdom

Revenue is recognised on customer receipt of goods or products

Leases

Assets held under operating leases are not reported in the balance sheet. Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. The costs in respect of operating leases are charged to the profit and loss account.

2. Cost of sales, gross profit, administrative expenses and other operating income

	31 March 2012 Continuing operations £'000	31 March 2011 Continuing operations £'000	31 March 2011 Acquisition £'000
Turnover	618,633	450,655	77,941
Cost of sales	(599,853)	(436,234)	(75,268)
Gross profit	18,780	14,421	2,673
Administrative expenses	(9,154)	(7,781)	(1,064)
Other operating income	-	12	-
Operating profit	9,626	6,652	1,609

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

3. Information regarding directors and employees

Directors' remuneration:

Remuneration

The remuneration of the directors was as follows

	2012 £'000	2011 £'000
Emoluments	570	542
Company contributions to money purchase schemes and personal pension Schemes	40	39
	610	581

Pensions

The number of directors for whom contributions were made to pension schemes was as follows

	2012 No	2011 No
Money purchase schemes and personal pension schemes	3	3

Note D Murphy is remunerated through DCC Plc

Highest-paid director

The above amounts for remuneration include the following in respect of the highest paid director

	2012 £'000	2011 £'000
Emoluments	245	232
Company contributions to money purchase scheme	3	3
	248	235

	2012 No	2011 No
Weekly average number of persons employed		
Sales and administration	186	169

	£'000	£'000
Staff costs during the year (including directors)		
Wages and salaries	4,224	3,669
Social security costs	403	360
Pension costs	72	72
	4,699	4,101

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	2012 £'000	2011 £'000
Depreciation of tangible fixed assets owned (note 8)	325	273
Profit on fixed asset disposals	-	(12)
Amortisation of goodwill (note 9)	842	681
Operating lease rentals - buildings	173	162
Staff costs (note 3)	4,699	4,101
Services provided by the company's auditor		
Fees payable for the audit	14	13
Fees payable for other services - tax compliance	7	7

Fuel Card Services Limited also bears the auditor remuneration for other companies within the sub group

5. Interest receivable and similar income

	2012 £'000	2011 £'000
Bank and other interest	98	75

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

6. Tax on profit on ordinary activities

The tax charge comprises

	2012 £'000	2011 £'000
Current tax		
UK corporation tax	2,738	2,630
Adjustment in respect of previous periods	(129)	(5)
	2,609	2,625
Deferred tax		
Current year	(46)	(47)
Adjustment in respect of previous periods	10	(38)
	(36)	(85)
Tax on profit on ordinary activities	2,573	2,540

The tax assessed for the year is higher (2011 higher) than the standard rate of corporation tax in the UK of 26% (2011 28%) The differences are explained below

	2012 £'000	2011 £'000
Profit on ordinary activities before tax	9,724	8,336
Profit on ordinary activities multiplied by standard rate in the UK of 26% (2011 28%)	2,528	2,334
Effect of		
Accelerated capital allowances and other timing differences	50	50
Expenses disallowed for tax purposes	160	246
Adjustments in respect of previous period	(129)	(5)
Current tax	2,609	2,625

Factors affecting tax charge in the future

A number of changes to the UK Corporation tax system were announced in the March 2012 budget statement to reduce the main rate of corporation tax from 26 per cent to a proposed rate of 22 per cent by 1 April 2014. Legislation reducing the main rate of corporation tax from 26 per cent to 24 per cent from 1 April 2012 was enacted by 26 March 2012. Legislation reducing the main rate of corporation tax to 23% from 1 April 2013 is expected to be included in the Finance Bill 2012, with a future Finance Bill reducing the tax rate to 22% from 1 April 2014. It is expected that the impact of these changes will not be material to the company.

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

7. Dividends

£'000

Dividends paid to ordinary shareholders (2011: £nil)	13,000
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During the year, a dividend of £13,000,000 was paid from Fuel Card Services Ltd to parent company The Fuel Card Group Ltd

8. Tangible Assets

	Leasehold improvements £'000	Motor vehicles £'000	Fixtures and equipment £'000	Total £'000
Cost or valuation				
At 1 April 2011	400	118	1,305	1,823
Additions	4	-	241	245
Disposals	-	-	-	-
At 31 March 2012	404	118	1,546	2,068
Depreciation				
At 1 April 2011	60	47	530	637
Charge for the year	53	23	249	325
Disposals	-	-	-	-
At 31 March 2012	113	70	779	962
Net book value				
At 31 March 2012	291	48	767	1,106
At 31 March 2011	340	71	775	1,186

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

9. Intangible assets

	Goodwill £'000
Cost	
At 1 April 2011	16,703
Additions (note 19)	-
At 31 March 2011	16,703
Amortisation	
At 1 April 2011	1,187
Charge for year	842
At 31 March 2012	2,029
At 31 March 2012	14,674
At 31 March 2011	15,516

10. Stocks

	2012 £'000	2011 £'000
Oil products	1,866	1,221

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

11. Debtors

	2012 £'000	2011 £'000
Amounts due within one year		
Trade debtors	37,029	26,624
Amounts owed by group undertakings	25,580	22,055
Other debtors	21	19
Prepayments and accrued income	276	1,071
	62,906	49,769
Amounts falling due after more than one year		
Deferred tax (note 13)	136	100
	63,042	49,869

The amounts owed by group undertakings are unsecured, interest bearing at 0.25% below base rate and repayable on demand

12. Creditors: amounts falling due within one year

	2012 £'000	2011 £'000
Trade creditors	70,083	44,167
Amounts owed to group undertakings	6,114	6,535
Corporation tax - group relief	2,738	2,630
Other creditors		
- Other taxation and social security	1,167	676
- Other creditors	293	290
Accruals and deferred income	358	341
	80,753	54,639

The amounts owed to group undertakings are unsecured, interest free and repayable on demand

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

13. Deferred tax

	2012 £'000	2011 £'000
Provision for deferred tax		
At 1 April	100	15
Transfer from other group companies	-	-
Transfer to profit and loss account	36	85
At 31 March	136	100

The deferred tax asset is included within debtors in note 11

The amounts provided for deferred taxation are set out below

	2012 £'000	2011 £'000
Accelerated capital allowances	136	100
At 31 March	136	100

14. Called up share capital

	2012 £'000	2011 £'000
Authorised, allotted, called up and fully paid		
20,000 (2011 20,000) ordinary shares of £1 each	20	20

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

15. Reserves

Of total reserves shown in the balance sheet, the following amounts are regarded as distributable or otherwise

	2012 £'000	2011 £'000
Distributable		
Profit and loss account	7,477	13,326
Non-distributable		
Share premium account	40	40
Capital redemption reserve	250	250
	7,767	13,616

The movement in reserves is as follows

	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
1 April 2011	40	250	13,326	13,616
Profit for the year	-	-	7,151	7,151
Dividends Paid	-	-	(13,000)	(13,000)
31 March 2012	40	250	7,477	7,767

16. Movement in shareholders' funds

The movement in shareholders' funds during the year was as follows

	2012 £'000	2011 £'000
Profit for the financial year	7,151	5,796
Dividends Paid	(13,000)	-
Movement in shareholders' funds	(5,849)	5,796
Opening shareholders' funds	13,636	7,840
Closing shareholders' funds	7,787	13,636

Fuel Card Services Limited

Notes to the financial statements for the year ended 31 March 2012 (continued)

17. Guarantees and other financial commitments

a Guarantees

The company has given, and is the beneficiary of, cross guarantees in respect of banking arrangements covering its own facilities and those of Dyneley Holdings Limited and those of The Fuel Card Group Limited and Fuel Card Limited, which are subsidiary undertakings of Dyneley Holdings Limited

b Capital commitments

At the end of the year there were no capital commitments (2011 £nil)

c Lease commitments

The company had entered into operating leases in respect of buildings

The minimum annual rentals for the operating leases were as follows

	2012	2011
	Buildings	Buildings
	£'000	£'000
Within two and five years	203	195
After five years	-	-

18. Ultimate parent company

The immediate parent company is The Fuel Card Group Limited

The ultimate parent company and controlling party is DCC plc, a company incorporated in Ireland, which is the parent company of the smallest and largest group to consolidate these financial statements. Copies of the financial statements for DCC plc can be obtained from the company secretary at DCC House, Brewery Road, Stillorgan, Blackrock, Co Dublin, Ireland

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by DCC plc, whose accounts are publicly available

19. Acquisitions

There were no acquisitions during the year