

Company Registration Number: 02227583

YACHT FUEL SERVICES LIMITED
DIRECTORS REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

Jeffreys Henry LLP
Finsgate
5-7 Cranwood Street
London
EC1V 9EE

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Yacht Fuel Services Limited

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for the year ended 31 December 2009

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* This does not form part of statutory accounts

Yacht Fuel Services Limited
Company Information
for the year ended 31 December 2009

DIRECTORS

C Birkett (Appointed 16 October 2009)
N Miller (Resigned 16 October 2009)

SECRETARY.

C A Smith

REGISTERED OFFICE:

18 Coulson Street
London
SW3 3NB

REGISTERED NUMBER:

02227583 (England and Wales)

AUDITORS:

Jeffreys Henry LLP
Finsgate
5-7 Cranwood Street
London
EC1V 9EE

Yacht Fuel Services Limited
Report of the Directors
for the year ended 31 December 2009

The directors present their report with the financial statements of the Company for the year ended 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of supply of marine fuel oil and lubricants

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

The results for the year are all the more pleasing given they were achieved against the current economic climate. The revenue decreased mainly from the weakened Euro and US Dollars in the year. The number of yachts fuelled during the year decreased to 249 (2008 288). Perhaps most significantly the Company is still debt-free and maintains a positive cash flow.

The decrease in the oil price has encouraged our customers. As such, the Company business continues to grow and maintains its position as one of the largest suppliers of marine fuel to super-yachts in the world.

KEY RISKS AND UNCERTAINTIES

The directors are optimistic about the business development in 2010. However this is dependant upon factors such as oil supply, volatility of the US\$ and Euro exchange rates and global economic stability. The exchange rate risk is partly mitigated by buying and selling in the same currency.

KEY PERFORMANCE INDICATORS

The main highlights of our performance are

Revenue down by 31% to £14,248,773 (2008 £20,549,943)
Gross profit up by 4% to £808,554 (2008 £776,179)
Fuel tonnage sold down by 10% to 26,832MT (2008 29,870MT)
Number of yachts fuelled down by 14% to 249 (2008 288)

FUTURE OUTLOOK

The directors are optimistic about the future performance of the Company. The demand for marine fuel for super yachts remains consistent. The Company is hoping to increase the number of yachts fuelled from cross-fertilising between YCO Group Plc companies.

RESULTS AND DIVIDENDS

The profit for the year is £205,251, which has been allocated against reserves. No dividends will be distributed for the year ended 31 December 2009.

DIRECTORS

The directors during the year under review were

N Miller (Resigned 16 October 2009)
C Birkett (Appointed 16 October 2009)

The directors holding office at 31 December 2009 did not hold any beneficial interest in the issued share capital of the company at 1 January 2009 or 31 December 2009.

Yacht Fuel Services Limited
Report of the Directors (continued)
for the year ended 31 December 2009

CHARITABLE DONATIONS

	2009 £	2008 £
During the year the company made the following payments charitable donations	-	1,400

COMPANY'S POLICY ON PAYMENT OF CREDITORS

It is the company's normal practice to make payments to suppliers in accordance with agreed terms provided that the supplier has performed in accordance with the relevant terms and conditions. The creditors days increased by 11 days to 35 (2008: 24) days in the year under review.

GOING CONCERN

After making appropriate enquiries, the directors consider that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted for use in the European Union. The financial statements are required by law to 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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business
- to follow applicable accounting standards

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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

Yacht Fuel Services Limited

Report of the Directors (continued)
for the year ended 31 December 2009

AUDITORS

in accordance with section 485 of the Companies Act 2006 a resolution that Jeffreys Henry LLP be reappointed as auditors of the company will be put to the Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'C Birkett', written over a horizontal line.

C Birkett
Director

Date 17 May 2010

Report of the Independent Auditors to the Shareholders of
Yacht Fuel Services Limited

We have audited the financial statements of Yacht Fuel Services Limited for the year ended 31 December 2009, which comprise the income statement, statement of comprehensive income, statement of changes in equity, statement of financial position, statement of cash flows and the related notes on pages 7 to 27. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 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.

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.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, in accordance with the International Financial Reporting Standards as adopted for use in the European Union, of the state of the company's affairs as at 31 December 2009 and of the profit for the year then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 2006,

Opinion on other matter prescribed by the Companies Act 2006

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

Report of the Independent Auditors to the Shareholders of
Yacht Fuel 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 by the parent company, or returns adequate for audit have not been received from branches not visited by us, or
- the company 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



Sanjay Parmar
SENIOR STATUTORY AUDITOR
For and on behalf of Jeffreys Henry LLP, statutory auditor

Finsgate
5-7 Cranwood Street
London
EC1V 9EE
United Kingdom

Date

Yacht Fuel Services Limited
Income Statement
for the year ended 31 December 2009

	Notes	2009 £	2008 £
Revenue	3	14,248,773	20,549,943
Cost of sales		(13,440,219)	(19,773,764)
GROSS PROFIT		808,554	776,179
Administrative expenses		(583,452)	(522,755)
OPERATING PROFIT	6	225,102	253,424
Finance costs	5	-	(148)
Finance income	5	-	-
Profit before tax		225,102	253,276
Income tax charges	7	(19,851)	-
Profit for the year		205,251	253,276

Yacht Fuel Services Limited

Statement of Comprehensive Income
for the year ended 31 December 2009

	2009 £	2008 £
Profit for the year	205,251	253,276
Total comprehensive income for the year	205,251	253,276
Total comprehensive income attributable to Owners of the company	205,251	253,276

Yacht Fuel Services Limited
Statement of Changes in Equity
for the year ended 31 December 2009

	Share capital £	Retained earnings £	Total £
As at 1 January 2008	1,000	883,567	884,567
Profit after tax for the year	-	253,276	253,276
As at 31 December 2008	<u>1,000</u>	<u>1,136,843</u>	<u>1,137,843</u>
Profit after tax for the year	-	205,251	205,251
As at 31 December 2009	<u><u>1,000</u></u>	<u><u>1,342,094</u></u>	<u><u>1,343,094</u></u>

Share capital is the amount subscribed for share at nominal value

Retained profit represents the cumulative profit of the Company attributable to equity shareholders

Yacht Fuel Services Limited
Statement of Financial Position as at
31 December 2009

	Notes	2009 £	2008 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	11,146	14,775
CURRENT ASSETS			
Trade and other receivables	9	2,959,380	2,207,529
Cash and cash equivalents	10	114,812	435,459
		<u>3,074,192</u>	<u>2,642,988</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	1,722,193	1,519,720
Tax payable		19,851	-
		<u>1,742,044</u>	<u>1,519,720</u>
NET CURRENT ASSETS		<u>1,332,148</u>	<u>1,123,268</u>
NON-CURRENT LIABILITIES			
Deferred tax	12	200	200
		<u>200</u>	<u>200</u>
NET ASSETS		<u><u>1,343,094</u></u>	<u><u>1,137,843</u></u>
SHAREHOLDERS' EQUITY			
Called up share capital	13	1,000	1,000
Retained earnings	14	1,342,094	1,136,843
TOTAL EQUITY		<u><u>1,343,094</u></u>	<u><u>1,137,843</u></u>

The financial statements were approved and authorised for issue by the Board of Directors on 17 May 2010 and were signed on its behalf by



C Birkett - Director

Company Registration Number: 02227583

Yacht Fuel Services Limited
Statement of Cash Flows
for the year ended 31 December 2009

	Notes	2009 £	2008 £
Cash flows from operating activities			
Cash generated from operations	1	481,383	(80,130)
Finance costs		-	(148)
Corporation tax paid		-	(109,025)
Net cash inflow/(outflow) from operating activities		<u>481,383</u>	<u>(189,303)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	8	-	(13,720)
Net cash outflow from investing activities		<u>-</u>	<u>(13,720)</u>
Cash flows from financing activities			
Amount advanced to group companies	19	(947,938)	(120,842)
Amount received from group companies	19	145,908	30,296
Net cash outflow from financing activities		<u>(802,030)</u>	<u>(90,546)</u>
Decrease in cash and cash equivalents		<u>(320,647)</u>	<u>(293,119)</u>
Cash and cash equivalents at beginning of year	2	<u>435,459</u>	<u>728,578</u>
Cash and cash equivalent at end of year	2	<u><u>114,812</u></u>	<u><u>435,459</u></u>

Yacht Fuel Services Limited
Notes to the Statement Cash Flows
for the year ended 31 December 2009

1. RECONCILIATION OF OPERATING PROFIT TO CASH GENERATED FROM OPERATIONS

	2009 £	2009 £
Operating profit	225,102	253,424
Adjustments for Depreciation of property, plant and equipment	3,629	1,310
Operating cash flows before movement in working capital	228,731	254,734
Decrease/(increase) in trade and other receivables	196,088	(192,478)
Increase/(decrease) in trade and other payables	56,564	(142,386)
Net cash inflow/(outflow) from operating activities	481,383	(80,130)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of these balance sheet amounts -

	2009 £	2008 £
Cash and cash equivalents	114,812	435,459
	2009 £	2008 £
Bank current account	114,812	435,459

Yacht Fuel Services Limited
Notes to the Financial Statements
for the year ended 31 December 2009

1. GENERAL INFORMATION

Yacht Fuel Services Limited is a company incorporated in England and Wales. The address of the registered office is disclosed on page 1 of the financial statements. The principal activity of the Company is described on page 2.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations issued by the International Accounting Standard Board (IASB) as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009:

- IAS 1 (revised), 'Presentation of financial statements'. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

The Company has elected to present two statements: an income statement and a statement of comprehensive income.

- IFRS 8, 'Operating segments'. IFRS 8 replaces IAS 14, 'Segment reporting'. It requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the steering committee that makes strategic decisions.

Goodwill is allocated by management to groups of cash-generating units on a segment level. The change in reportable segments has not resulted in any additional goodwill impairment. There has been no further impact on the measurement of the Company's assets and liabilities. Comparatives for 2008 have not been restated.

Yacht Fuel Services Limited

Notes to the Financial Statements (continued) **for the year ended 31 December 2009**

2. ACCOUNTING POLICIES (continued)

The following new standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 January 2009 and have not been early adopted

- IFRS 2 (amendment), 'Share-based payment' (effective from 1 January 2009) It deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services, they would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The company will apply IFRS 2 (amendment) from 1 January 2009, subject to endorsement by the EU. It is not expected to have a material impact on the Company's financial statements.
- IFRS 3 (revised), 'Business combinations' and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, 'Investments in associates' and IAS 31, 'Interests in joint ventures', effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. Management is assessing the impact of the new requirements regarding acquisition accounting, consolidation and associates on the group. The Company does not have any joint ventures.

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the minority interest in the acquiree either at fair value or at the minority interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Company will apply IFRS 3 (revised) to all business combinations from 1 January 2010.

- IAS 27 (revised), 'Consolidated and separate financial statements', (effective from 1 July 2009) The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. The Company will apply IAS 27 (revised) prospectively to transactions with non-controlling interests from 1 January 2010.
- IAS 38 (amendment), 'Intangible Assets' The amendment is part of the IASB's annual improvements project published in April 2009 and the company will apply IAS 38 (amendment) from the date IFRS 3 (revised) is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in a material impact on company's financial statements.

Notes to the Financial Statements (continued)
for the year ended 31 December 2009

- FRIC 17, 'Distributions of non-cash assets to owners', effective for annual periods beginning on or after 1 July 2009 This is not currently applicable to the Company, as it has not made any non-cash distributions
- IFRIC 18, 'Transfers of assets from customers', effective for transfers of assets received on or after 1 July 2009 This is not relevant to the company, as it has not received any assets from customers

- IAS 23 (amendment), 'Borrowing costs'
- IAS 32 (amendment), 'Financial instruments Presentation'
- IFRIC 13, 'Customer loyalty programmes'
- IFRIC 15, 'Agreements for the construction of real estate'
- IFRIC 16, 'Hedges of a net investment in a foreign operation'
- IAS 39 (amendment), 'Financial instruments Recognition and measurement'

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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

The assets residual values and useful economic lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding VAT and other duties. Revenue represents the net invoiced value of vessels managed and commissions.

Yacht Fuel Services Limited

Notes to the Financial Statements (continued) **for the year ended 31 December 2009**

2 ACCOUNTING POLICIES (continued)

Segment reporting

The Company has adopted IFRS 8 *Operating Segments* with effect from 1 January 2009. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. In contrast, the predecessor Standard (IAS 14 *Segment Reporting*) required an entity to identify two sets of segments (business and geographical), using a risks and returns approach, with the entity's 'system of internal financial reporting to key management personnel' serving only as the starting point for the identification of such segments. Following the adoption of IFRS 8, the identification of the Company's reportable segments has not changed.

Cash and cash equivalents

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

Functional currency translation

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currencies of the primary economic environment in which the entity operates (the functional currencies), which are Dollars (\$) and Euros (€). The financial statements are presented in Pounds Sterling (£), which is the Company's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the presentational currency using exchange rates prevailing at 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 income statement.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differed from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The entity's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred income 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, the deferred income tax is not accounted for if it 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. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Yacht Fuel Services Limited
Notes to the Financial Statements
for the year ended 31 December 2009

2. ACCOUNTING POLICIES (continued)

Operating leases

Rental leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement.

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade receivable is impaired.

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Fair values

The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the Company at the balance sheet date approximated their fair values, due to relatively short term nature of these financial instruments.

The Company provides financial guarantees to licensed banks for credit facilities extended to group companies. The fair value of such financial guarantees is not expected to be significantly different as the probability of the group companies defaulting on the credit lines is remote.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Going concern

After making appropriate enquiries, the directors consider that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Critical judgements and estimates

The preparation of financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise 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. There were no significant assumptions and estimates made in the financial statements.

Yacht Fuel Services Limited

Notes to the Financial Statements (continued)
for the year ended 31 December 2009

3	Revenue	2009	2008
		£	£
	An analysis of the Company's revenue for the year is as follows		
	Continuing operations		
	Marine fuel and lubricants	14,248,773	20,549,943
		<u> </u>	<u> </u>
4	Segmental analysis		
	The chief operating decision maker internal report is based on business segment, which consists solely of marine fuel and lubricants as disclosed on Note 3 above		
	The geographical segment consists of Europe, Americas and the rest of the world. The breakdown of the revenue is shown below		
		2009	2008
		£	£
	Europe	10,669,203	15,049,510
	Americas	2,258,952	3,271,633
	Rest of the World	1,320,618	2,228,800
		<u> </u>	<u> </u>
		14,248,773	20,549,943
		<u> </u>	<u> </u>
5.	Net finance costs	2009	2008
		£	£
	Finance income		
	Deposit account interest	-	-
		<u> </u>	<u> </u>
	Finance costs		
	Bank interest	-	(148)
		<u> </u>	<u> </u>
	Net finance costs	-	(148)
		<u> </u>	<u> </u>

Yacht Fuel Services Limited

Notes to the Financial Statements - continued
for the year ended 31 December 2009

6	Operating Profit	2009	2008
		£	£
	The operating profit is stated after charging		
	Other operating leases	40,820	40,567
	Depreciation - owned assets	3,629	1,310
	Auditors' remuneration	8,400	10,000
	Foreign exchange differences loss/(profit)	52,266	(13,131)
		<u> </u>	<u> </u>

The analysis of administrative expenses in the income statement by nature of expense

	2009	2008
	£	£
Employment costs	164,736	149,247
Depreciation and amortisation	3,629	1,310
Advertising costs	3,460	38,309
Travelling and entertaining	1,832	11,824
Establishment costs	41,724	41,405
Other expenses	368,071	280,660
	<u> </u>	<u> </u>
	583,452	522,755
	<u> </u>	<u> </u>
7. Income Tax Expense	2009	2008
	£	£
Current tax		
Corporation tax	19,851	-
Deferred tax	-	-
	<u> </u>	<u> </u>
	19,851	-
	<u> </u>	<u> </u>
Profit before tax	<u>225,102</u>	<u>253,276</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28% (2008 - 28%)	63,028	70,917
Effects of		
Non deductible expenses	911	1,785
Depreciation add back	1,016	367
Capital allowance	(94)	(3,842)
Group tax relief	(43,707)	(69,227)
Other tax adjustments	(1,303)	-
	<u> </u>	<u> </u>
	(43,177)	(70,917)
	<u> </u>	<u> </u>
Current tax charge	<u>19,851</u>	<u>-</u>

Yacht Fuel Services Limited

Notes to the Financial Statements - continued
for the year ended 31 December 2009

8. Property, Plant and Equipment

	2009
	£
COST	
At 1 January 2009	53,050
Additions	<u>-</u>
At 31 December 2009	<u>53,050</u>
DEPRECIATION	
At 1 January 2009	38,275
Charge for year	<u>3,629</u>
At 31 December 2009	<u>41,904</u>
CARRYING VALUE	
At 31 December 2009	<u>11,146</u>
At 31 December 2008	<u>14,775</u>
	2008
	£
COST	
At 1 January 2008	39,780
Additions	<u>13,270</u>
At 31 December 2008	<u>53,050</u>
DEPRECIATION	
At 1 January 2008	36,965
Charge for year	<u>1,310</u>
At 31 December 2008	<u>38,275</u>
CARRYING VALUE	
At 31 December 2008	<u>14,775</u>
At 31 December 2007	<u>2,815</u>

Yacht Fuel Services Limited

Notes to the Financial Statements - continued
for the year ended 31 December 2009

9 Trade and Other Receivables

	2009	2008
	£	£
Current		
Trade receivables	757,571	929,081
Receivables from related parties (Note 19)	2,175,462	1,227,524
Other receivables	10,512	10,512
Other taxes receivables	5,232	28,349
Prepayments	<u>10,603</u>	<u>12,063</u>
	<u><u>2,959,380</u></u>	<u><u>2,207,529</u></u>

10. Cash and Cash Equivalents

	2009	2008
	£	£
Bank current account	<u>114,812</u>	<u>435,459</u>

11. Trade and Other Payables

	2009	2008
	£	£
Current		
Trade payables	1,499,337	1,429,757
Social security and other taxes	4,290	4,852
Amount due to related party (Note 19)	187,080	41,172
Accruals and deferred income	<u>31,486</u>	<u>43,939</u>
	<u><u>1,722,193</u></u>	<u><u>1,519,720</u></u>

Yacht Fuel Services Limited

Notes to the Financial Statements – continued
for the year ended 31 December 2009

12 Provision for Liabilities and Charges

	2009	2008
	£	£
Balance brought forward	200	200
Profit and loss account	-	-
	<hr/>	<hr/>
Balance carried forward	200	200
	<hr/>	<hr/>

The deferred tax liability is made up as follows:

	2009	2008
	£	£
Accelerated capital allowances	200	200
	<hr/>	<hr/>

13 Called Up Share Capital

Authorised

Number	Class	Nominal Value	2009	2008
			£	£
1,000	Ordinary	£1	1,000	1,000
			<hr/>	<hr/>

Allotted, called up and fully paid

1,000	Ordinary	£1	1,000	1,000
			<hr/>	<hr/>

14. Retained Earnings

	2009	2008
	£	£
Balance brought forward	1,136,843	883,567
Profit for the year	205,251	253,276
	<hr/>	<hr/>
Balance carried forward	1,342,094	1,136,843
	<hr/>	<hr/>

Yacht Fuel Services Limited

Notes to the Financial Statements - continued for the year ended 31 December 2009

15. Risk and Sensitivity Analysis

The company's activities expose it to a variety of financial risks: interest rate risk, liquidity risk, foreign currency risk, capital risk, market risk and credit risk. The company's activities also expose it to non-financial risks: market risk. The company's overall risk management programme focuses on unpredictability and seeks to minimise the potential adverse effects on the company's financial performance. The directors, on a regular basis, reviews key risks and, where appropriate, actions are taken to mitigate the key risks identified.

(a) Interest rate and foreign currency risk

The company does not have formal policies on interest rate risk or foreign currency risk.

The Company is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than pound sterling (£). The Company maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs.

The Company does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency, given the nature of the business for the time being.

The net unhedged financial assets and liabilities of the Company that are denominated in its functional currency are as follows:

	Financial Assets		Financial Liabilities	
	2009	2008	2009	2008
	£	£	£	£
Euro (€)	66,736	104,247	471,492	290,084
United States Dollars (US\$)	805,806	1,243,864	1,186,352	1,707,589
	<u>872,542</u>	<u>1,348,111</u>	<u>1,657,844</u>	<u>1,997,673</u>

The foreign exchange rates affecting the Company are as follows:

	Income statement		Balance sheet	
	2009	2008	2009	2008
	£	£	£	£
Euro (€)	0.89	0.79	0.90	0.97
United States Dollars (US\$)	<u>0.64</u>	<u>0.54</u>	<u>0.63</u>	<u>0.69</u>

Yacht Fuel Services Limited

Notes to the Financial Statements - continued
for the year ended 31 December 2009

15. Risk and Sensitivity Analysis

(b) Liquidity risk

The company prepares periodic working capital forecasts for the foreseeable future, allowing an assessment of the cash requirements of the company, to manage liquidity risk. The directors have considered the risk posed by liquidity and are satisfied that there is sufficient growth and equity in the Company. The Company is part of the group overdraft facility with the bank for £300,000 and is being charged at an interest rate of 3% per annum above HSBC's sterling base rate, as published from time to time. The overdraft facility is due for renewal in December 2010.

(c) Capital risk

The company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

(d) Market risk

The market may not grow as rapidly as anticipated. The company may lose customers to its competitors. The company's major competitors may have significantly greater financial resources than those available to the company. There is no certainty that the company will be able to achieve its projected levels of sales or profitability.

(e) Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables. The credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit-rating agencies. The company's credit risk is primarily attributable to its trade. The amounts presented in the balance sheet are net of allowance for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experiences, is evidence of a reduction in the recoverability of the cash flows. The company has no significant concentration of credit risk, with exposure spread over a large number of counter parties and customers.

16 Directors Emoluments	2009	2008
	£	£
Directors benefits	<u>7,353</u>	<u>7,900</u>

Yacht Fuel Services Limited

Notes to the Financial Statements - continued
for the year ended 31 December 2009

17. Employees and Directors	2009 £	2008 £
Wages and salaries	148,606	134,432
Social security costs	16,130	14,815
	<u>164,736</u>	<u>149,247</u>

	2009 Numbers	2008 Numbers
The average monthly number of employees (including directors) during the year was as follows		
Directors	1	2
Operations	4	4
	<u>5</u>	<u>6</u>

18. Financial Commitments

(a) Operating lease commitments

The company leases office premises under a non-cancellable operating lease agreement, which contains various escalation clauses and renewal rights. The lease expenditure is charged to the income statement during the year as incurred. The lease expires on 6 October 2011. At the balance sheet date the Company was committed to payments under the operating lease agreement as follows

	2009 £	2008 £
Less than one year	41,520	41,520
Between one and five years	32,214	73,734
	<u>73,734</u>	<u>115,254</u>

(b) Capital commitments

There was no capital expenditure contracted for at the balance sheet date but not yet incurred

Yacht Fuel Services Limited

Notes to the Financial Statements - continued for the year ended 31 December 2009

19. Related Party Transactions

During the year, the Company paid management fees to YCO Group Plc, its parent company. It also made purchases from BA Yachts Assistance SL, which is a fellow subsidiary. The details of the transactions are as follows:

Company	Management fee		Purchases of goods	
	2009	2008	2009	2008
	£	£	£	£
YCO Group Plc	195,000	190,000	-	-
BA Yachts Assistance SL	-	-	718,268	905,835
Yacht Help Group Gibraltar Limited	-	-	-	37,000

Company	Loan received / (advanced)	
	2009	2008
	£	£
YCO Group Plc	(1,142,477)	(120,842)
BA Yachts Assistance SL	(3,873)	7,003
Yacht Help Group (Mallorca) SL	(461)	-
YCO SAM	179,693	299
YHG SARL	7,088	-

All the above transactions with related parties were conducted at arms length.

At 31 December 2009 the following amounts were (owed to) or due from group companies:

Company	2009	2008
	£	£
YCO Group Plc	2,175,001	1,227,524
BA Yachts Assistance SL	-	(3,873)
Yacht Help Group (Mallorca) SL	461	-
YCO SAM	(179,992)	(299)
YHG SARL	(7,088)	-

20. Contingent Liabilities

The company has no contingent liabilities in respect of legal claims arising from the ordinary course of business and it is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for.

A debenture in favour of HSBC Bank Plc was created on 11 January 2008 and registered on 18 January 2008 to secure the Company's obligations under the group overdraft facility. The debenture is a fixed and floating charge over the Group's undertaking and all of its property and assets present and future including its goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery.

Yacht Fuel Services Limited

Notes to the Financial Statements - continued
for the year ended 31 December 2009

20. Contingent Liabilities (continued)

An unlimited corporate guarantee given by each of the Group companies in favour of HSBC given on 3 January 2008 to secure the Group's obligations under the overdraft facility referred above

21. Ultimate Controlling Party

The ultimate parent company is YCO Group Plc, a company incorporated in England and Wales YCO Group Plc is quoted on the Alternative Investment Market of the London Stock Exchange

Yacht Fuel Services Limited
Income Statement Summaries
for the year ended 31 December 2009

	2009 £	2008 £
REVENUE	<u>14,248,773</u>	<u>20,549,943</u>
	<u>14,248,773</u>	<u>20,549,943</u>
COST OF SALES		
Purchases	<u>13,440,219</u>	<u>19,773,764</u>
GROSS PROFIT	808,554	776,179
ADMINISTRATIVE EXPENSES		
Establishment costs		
Rent	40,820	40,567
Insurance	904	838
Administrative expenses		
Wages	148,606	134,432
Social security	16,130	14,815
Agents fees	62,437	52,036
Telephone	10,765	11,966
Post and stationery	3,265	4,528
Travelling	979	6,998
Entertainment	853	4,826
Advertising and promotion	3,460	38,309
Repairs and renewals	7,704	8,562
Motor running expenses	-	22
Staff benefits	7,353	7,900
Sundry expenses	2,437	1,545
Bank charges	(744)	(6,933)
Heat, Light & Power	4,790	5,000
Management charges	195,000	190,000
Legal fees	3,898	9,165
Auditors' remuneration	8,400	8,600
Bad debts	10,500	-
Donations	-	1,400
Foreign exchange losses	52,266	(13,131)
Depreciation of tangible fixed assets	3,629	1,310
	<u>583,452</u>	<u>522,755</u>
FINANCE COSTS		
Bank interest	-	148
	<u>-</u>	<u>148</u>
FINANCE INCOME		
Deposit account interest	-	-
	<u>-</u>	<u>-</u>
	<u><u>225,102</u></u>	<u><u>253,276</u></u>