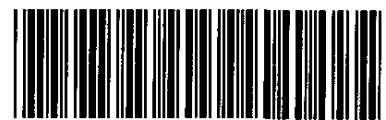




Motor Fuel (No. 3) Limited
REPORT AND FINANCIAL STATEMENTS
Year ended 31 December 2022

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COMPANIES HOUSE

Company 07532478

Company information

DIRECTORS

William Bannister
Thomas Biggart
Jeremy Clarke
Simon Lane

REGISTERED OFFICE

10 Bricket Road
St Albans
Hertfordshire
United Kingdom
AL1 3JX

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Directors' Report

The Directors present their annual report and financial statements for Motor Fuel (No. 3) Limited **(the Company)** for the year ended 31 December 2022.

Principal activity and future developments

All activities of the Company are now discontinued and as the directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 2 to the financial statements.

Results and performance

The Company made a profit for the year after taxation of £nil (2021: profit of £8.9m).

At 31 December 2022 the Company had net assets of £nil (2021: £nil) and net current assets of £nil (2021: £nil).

During the year the Company reported turnover of £nil (2021: £nil) and operating loss of £nil (2021: operating loss of £25,000).

Dividends

No dividend was paid in the year (2021: dividend in specie of £15,800,000).

Strategic Report

The Directors have taken advantage of the exemption provided by section s414 (b) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from preparing a Strategic Report.

Directors' Report *(continued)*

Directors

The following persons served as Directors during the period and up to the date of signing the financial statements:

- William Bannister
- Thomas Biggart
- Jeremy Clarke
- Simon Lane

Key Management Personnel

The following individuals were the key management personnel of the Company and MFG during the year:

- | | |
|---------------------|--------------------------|
| • William Bannister | Chief Executive Officer |
| • Thomas Biggart | Chief Investment Officer |
| • Jeremy Clarke | Chief Operating Officer |
| • Simon Lane | Chief Financial Officer |

Directors' Report *(continued)*

Statement of directors' responsibilities

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

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- c) make judgements and accounting estimates that are reasonable and prudent; and
- d) 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 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.

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.



William Bannister (Chief Executive Officer and Director)

Date: 8 September 2023

Profit and loss account

| | Note | 2022 £000 | 2021 £000 |
|--------------------------------------|------|--------------|--------------|
| Turnover | | - | - |
| Cost of sales | | - | - |
| Gross profit | | - | - |
| Administrative expenses | | - | (25) |
| Operating loss | 4 | - | (25) |
| Dividend income | | - | 8,948 |
| Profit before taxation | | - | 8,923 |
| Tax on profit | 5 | - | - |
| Profit for the financial year | | - | 8,923 |

Statement of comprehensive income

| | Note | 2022 £000 | 2021 £000 |
|---|------|--------------|--------------|
| Profit for the financial year | | - | 8,923 |
| Other comprehensive income: | | | |
| Movement on deferred tax relating to revaluation of tangible assets | | - | - |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | - | 8,923 |

Balance sheet

| | Note | 2022 £000 | 2021 £000 |
|---|------|--------------|--------------|
| Fixed assets | | | |
| Intangible assets | 6 | - | - |
| | | - | - |
| Current assets | | | |
| Debtors | | - | - |
| Cash at bank and in hand | | - | - |
| | | - | - |
| Creditors – amounts falling due within one year | | - | - |
| Net current liabilities | | - | - |
| Total assets less current liabilities | | - | - |
| Provisions for other liabilities | | - | - |
| Net assets | | - | - |
| Capital and reserves | | | |
| Called up share capital | 7 | - | - |
| Other reserves | 9 | - | - |
| Retained earnings | | - | - |
| Total equity | | - | - |

For the period ending 31 December 2022, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 6 to 19 were authorised for issue by the board of directors on 8 September 2023 and were signed on its behalf.



William Bannister (Chief Executive Officer and Director)

Statement of changes in equity

| | Called up share capital | Other reserves | Retained earnings | Total equity |
|--|-------------------------------|-------------------|----------------------|-----------------|
| | £000 | £000 | £000 | £000 |
| Balance as at 1 January 2021 | - | 5,049 | 1,828 | 6,877 |
| Profit for the year | | - | 8,923 | 8,923 |
| Total comprehensive income for the year | | - | 8,923 | 8,923 |
| Release of revaluation reserve | | (5,049) | 5,049 | - |
| Dividend paid | - | - | (15,800) | (15,800) |
| Balance as at 31 December 2021 | - | - | - | - |
| Profit for the year | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - |
| Balance as at 31 December 2022 | - | - | - | - |

Notes to the financial statements

1 General information

Motor Fuel (No. 3) Limited ('the Company') is a limited liability company incorporated and domiciled in England and Wales.

Until 11 June 2019, the principal activity of the Company was that of retail sale of automotive fuel in specialised stores and service stations. Upon acquisition by MFG, the Company's trade was transferred to its parent undertaking, and the Company became a property holding company. The property was disposed of in the year as part of the CMA process.

The address of its registered office is 10 Bricket Road, St Albans, Hertfordshire, United Kingdom, AL1 3JX.

2 Summary of significant accounting policies

The principal accounting policies applied 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.

2.1 Basis of preparation

The financial statements of Motor Fuel (No. 3) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS102') and the Companies Act 2006.

These financial statements are prepared under the historical cost convention, unless otherwise stated in the accounting policies, and are presented in pounds sterling (£).

The principal accounting policies adopted in the preparation of these financial statements are set out in this Note 2. These policies have been consistently applied to all periods presented.

Notes to the financial statements (*continued*)

2 Summary of significant accounting policies (*continued*)

2.2 *Disclosure exemptions*

The Company has taken advantage of the following exemptions on the basis that it is a qualifying entity and is included in the consolidated accounts of CD&R Firefly Holdco Limited:

- The requirement to prepare a statement of cash flows
- Financial instrument disclosures
- Key management personnel compensation

2.3 *Going concern*

The financial statements have not been prepared on a going concern basis as the trade and assets were transferred to a fellow subsidiary effective from 26 January 2021 with no replacement trade ascertained. No adjustments have been necessary to reduce the carrying value of assets to their estimated realisable amount, to provide for further liabilities which will arise, or to reclassify long term liabilities as current liabilities.

2.4 *Currencies*

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates (**the functional currency**) which is UK sterling (£). They are presented in UK sterling (**the presentational currency**). Amounts are generally expressed in thousands (£'000) and rounded accordingly.

Notes to the financial statements *(continued)*

2 Summary of significant accounting policies *(continued)*

2.5 Impairment of non-current assets

At each reporting date, the Directors review the carrying amounts of all non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Directors estimate the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

2.6 Revenue and income recognition

Until 11 June 2019, revenue for the Company arose principally from fuels retailing.

That revenue was measured at the fair value of the consideration received or receivable and represents amounts receivable for fuel supplied, stated net of discounts and value added tax. The Company recognises revenue when (a) it can be reliably measured, (b) it is probable that future economic benefits will flow to the Company and (c) when specific criteria have been met for each of the Company's activities.

After 11 June 2019 any revenue represents rental income.

Interest income represents interest receivable on cash balances and on loans to related parties and is recognised as it is earned.

2.7 Cost of sales

Cost of sales up until 11 June 2019 consists of the purchase cost of fuel sold and other expenses that are directly related to sales. It is stated net of VAT, discounts and expected rebates relating to those purchases.

Notes to the financial statements (*continued*)

2 Summary of significant accounting policies (*continued*)

2.8 Current and deferred tax

The income tax charge or credit represents the sum of the tax currently payable or recoverable and the movement in deferred tax assets and liabilities for the year.

a) Current tax

Current tax is based on taxable income for the year and any adjustment to tax from previous years. Taxable income differs from net income in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years or that are never taxable or deductible. The calculation uses the latest tax rates for the year that have been enacted by the reporting date.

b) Deferred tax

Deferred tax is calculated at the latest tax rates that have been substantively enacted by the reporting date that are expected to apply when settled. It is charged or credited in the Statement of Comprehensive Income, except when it relates to items credited or charged directly to equity, in which case it is also dealt with in equity.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income, and is accounted for using the liability method. It is not discounted.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which the asset can be utilised. Such assets are reduced to the extent that it is no longer probable that the asset can be utilised.

Deferred tax assets and liabilities are offset when there is an enforceable right to offset current tax assets and liabilities and when the deferred tax assets and liabilities relate to the same taxation authority on either the same taxable entity or different taxable entities settling on a net basis.

2.9 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified by the Company, as lessee, as operating leases. Rentals payable under operating leases (net of any incentives received from the lessor) are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the relevant lease.

Notes to the financial statements (*continued*)

2 Summary of significant accounting policies (*continued*)

2.10 Finance leases

Leases that transfer substantially all the risks and rewards incidental to ownership are classified by the Company, as lessee, as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the Company's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge of the capital repayments outstanding.

2.11 Dividends payable

Any dividends payable are recognised as a liability at the time they are approved. Otherwise dividends are disclosed if they have been proposed or declared before the relevant financial statements are approved.

3 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

3.1 Trade and other receivables

Trade and other receivables are recognised initially at fair value through profit or loss. Appropriate provisions for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income when there is objective evidence that the assets are impaired. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Notes to the financial statements *(continued)*

3 Financial instruments

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3.3 Trade and other payables

Trade and other payables are measured at fair value through profit or loss.

3.4 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity, as a deduction from the proceeds.

3.5 Classification as debt or equity

Debt and equity instruments issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

4 Operating loss

| | | |
|--|-------------|------|
| Operating profit is stated after charging: | 2022 | 2021 |
| | £000 | £000 |
| Operating lease rentals – land and buildings | - | 25 |

Notes to the financial statements (*continued*)

5 Income tax

| | 2022 £000 | 2021 £000 |
|--|---------------|--------------|
| 5.1 Income tax expense | | |
| <i>Current tax</i> | | |
| - UK Corporation tax on profits for the year | - | - |
| - Adjustment in respect of prior periods | - | - |
| Total current tax | - | - |
| <i>Deferred tax</i> | | |
| - Origination and reversal of timing differences | - | - |
| - Adjustment in respect of prior periods | - | - |
| - Effect of tax rate change on opening balances | - | - |
| Total deferred tax | - | - |
| Net income tax expense | - | - |
| Tax included directly in equity | | |
| <i>Deferred tax</i> | - | - |
| 5.2 Factors affecting the tax charge | 2022 | 2021 |
| Corporate tax rate being the average UK corporation tax rate during the year | 19.00% | 19.00% |
| | £000 | £000 |
| Profit before income tax | - | 8,923 |
| Tax charge at the UK corporate tax rate | - | 1,695 |
| Effects of: | | |
| - Non-taxable income | - | (1,700) |
| - Fixed asset differences | - | 5 |
| Total tax credit for the year | - | - |

Notes to the financial statements *(continued)*

6 Intangibles

| | Goodwill £000 | Total £000 |
|---------------------------------|------------------|---------------|
| Cost | | |
| As at 1 January 2022 | 20 | 20 |
| Disposals | - | - |
| As at 31 December 2022 | 20 | 20 |
| Accumulated depreciation | | |
| As at 1 January 2022 | 20 | 20 |
| Provided during the period | - | - |
| Disposals | - | - |
| As at 31 December 2022 | 20 | 20 |
| Carrying amount | | |
| As at 1 January 2022 | - | - |
| As at 31 December 2022 | - | - |

7 Share Capital

| | Nominal value | 2022 No. | 2022 £000 | 2021 No. | 2021 £000 |
|-------------------|------------------|-------------|--------------|-------------|--------------|
| A Ordinary shares | £1 | 1 | - | 1 | - |
| | | 1 | - | 1 | - |

Notes to the financial statements *(continued)*

8 Capital and other commitments

At 31 December, the Company had commitments under non-cancellable operating leases. The total future value of minimum lease payments is due as follows:

| | 2022 £000 | 2021 £000 |
|--------------------------------|----------------------------|--------------|
| Operating leases which expire: | | |
| Within one year | - | 30 |
| In one to five years | - | 120 |
| Later than five years | - | 27 |
| | <hr/> | <hr/> |
| | - | 177 |

The commitment in 2021 related to one property lease. During the year, the property was sold as part of the CMA process.

9 Revaluation reserve

The movement on revaluation reserve during the year was:

| | 2022 £000 | 2021 £000 |
|---|----------------------------|--------------|
| Revaluation reserve brought forward | - | 5,049 |
| Deferred tax arising on the revaluation of land and buildings | - | - |
| Revaluation reserve release upon disposal | - | (5,049) |
| Revaluation reserve carried forward | <hr/> | <hr/> |
| | - | - |

Notes to the financial statements (*continued*)

10 Ultimate controlling party

The immediate parent undertaking is Motor Fuel Limited, registered in England and Wales.

In the opinion of the Directors the ultimate controlling party is CD&R Firefly Holdings Sàrl, registered in Luxembourg.

The largest UK parent undertaking drawing up consolidated financial statements which include the results of this company is CD&R Firefly Holdco Limited. The smallest UK parent undertaking drawing up consolidated financial statements which include the results of this company is CD&R Firefly 4 Limited. Those financial statements are available from Companies House and Directors' interests in the Group are disclosed therein.

11 Contingent liabilities and guarantees

Under the terms of MFG's secured bank loans, all entities in the MFG group guarantee the debts of the MFG group.