



Representing the best in liquid fuels

# Annual General Meeting 2023

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15<sup>th</sup> June 10am, Held Virtually

# Agenda

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- Anti-trust and Compliance Statement
- Introduction – UKIFDA President, Rory Clarke
- Presentation of the Accounts
- Presentation by Chief Executive
- Questions
- Formal AGM Business



# Anti-Trust & Compliance

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Today, we are meeting as members of the UKIFDA. As a trade association, we take Anti-Trust & Competition compliance seriously. Whilst discussions can cover matters of interest to our industry, we cannot discuss or exchange sensitive commercial information. If at any time during this meeting, you think our discussions may be in breach of Anti-Trust and Competition rules, please inform the Chair. The Chair may close the meeting at any time if they believe that discussions are in breach of these rules. Please see full Anti-Trust & Competition law guidelines in the guidance documents folder in the members area of the website.



# UKIFDA Annual General Meeting 2023



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## **Introductory Remarks** **Rory Clarke, President**



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## Presentation of Accounts



**PROFIT & LOSS YEAR  
ENDED 30 SEPTEMBER 2022**

	2022	2021
	£	£
<b>TURNOVER</b>	886,462	546,020
<b>COST OF SALES</b>	(455,936)	(224,782)
<b>GROSS SURPLUS</b>	<b>430,526</b>	<b>321,238</b>
<b>ADMINISTRATIVE EXPENSES</b>	(371,931)	(341,112)
<b>OTHER OPERATING INCOME</b>	-	-
<b>OPERATING SURPLUS/(DEFICIT)</b>	58,595	(19,874)
<b>NET INTEREST AND SIMILAR EXPENSES</b>	(1,338)	(620)
<b>AMOUNTS WRITTEN OFF INVESTMENTS</b>	-	-
<b>(DEFICIT)/SURPLUS BEFORE TAXATION</b>	<b>57,257</b>	<b>(20,494)</b>
<b>TAX ON (DEFICIT)/SURPLUS</b>		1
<b>(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR</b>	<b>57,257</b>	<b>(20,493)</b>



**BALANCE SHEET AS AT 30<sup>TH</sup> SEPTEMBER 2022****2022****2021**

	£	£	£	£
<b>FIXED ASSETS</b>				
<b>TANGIBLE ASSETS</b>		5,932		12,380
<b>INVESTMENT PROPERTIES</b>		-		-
		<b>5,932</b>		<b>12,380</b>
<b>CURRENT ASSETS</b>				
<b>DEBTORS</b>	53,835		91,912	
<b>CASH AT BANK AND IN HAND</b>	496,437		427,121	
	<b>550,272</b>		<b>519,033</b>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	(113,535)		(136,375)	
<b>NET CURRENT ASSETS</b>		<b>436,737</b>		<b>382,658</b>
<b>TOTAL ASSETS LESS LIABILITIES</b>		<b>442,669</b>		<b>395,038</b>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		(35,650)		(45,276)
<b>NET ASSETS</b>		<b>407,019</b>		<b>349,762</b>
<b>RESERVES</b>				
<b>INCOME AND EXPENDITURE ACCOUNT</b>		<b>407,019</b>		<b>349,762</b>
<b>MEMBER'S FUNDS</b>		<b>407,019</b>		<b>349,762</b>



# Change of Audit Provision

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- Following a review of audit services and in light of the small nature of the organisation and the general increase in audit costs, the Executive Council has decided to dispense with the requirement for a full independent annual audit of the accounts invoking the small company exemption under the Companies Act. This decision is allowable under the organisation's Articles of Association.
- Instead, an assurance letter will be provided to the Executive Council by the approved accountants on an annual basis. This letter will summarise the checks they have made including samples of income invoices and expenses as directed by the Executive Council. The Management Committee will continue to receive quarterly financial information.
- Members of the company can under the Companies Act ask for an audit to be completed if more than 10% request this.
- As part of the overall assessment a tender process was completed for accountancy and audit services and the Executive Council recommend that WR Partners remain as auditors to the company





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## CEO Presentation



# 2023 Forecast and other financial issues

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- Based on current trajectory we expect to achieve breakeven/small loss compared to a budgeted loss of c£40k. This is dependent on the Future Fuels project.
- Bank balance expected to be north of £410k compared to budget of £400k
- New high interest notice account has been applied for
  - Intend to move £300k into 90 day notice account @3.4%
  - In-line with AGM 2021 agreement to keep at least £200k in cash reserves
- Discussing covid loan repayment
- 11 new members



# UKIFDA Show 2023 - Feedback

## Question

Overall, how would you rate the 2023 show?	<b>87% excellent/ good</b>
Did the event meet your objectives?	<b>87% Yes</b>
Do you agree with UKIFDA's proposed strategy to hold UKIFDA EXPO every two years and the UKIFDA Show every other year?	<b>93% Yes</b>

- Ahead of budget
- 620 delegates

# Future Events

- Launched EXPO 2024 early
- Plan is to run a similar format to 2022
- Price structure has been revamped/made simpler
  - All exhibitors will be asked to equitably contribute to fixed costs
  - Thereafter exhibitors purchasing larger areas will be given a discount
- Last EXPO (2022) was run at 2019 prices – inflation since then +20%
- **Already have 35 exhibitors signed up (c35%) in first two weeks**
- **Propose basing EXPO in Liverpool and Shows in different locations**
- **Next Show – Leeds 2025**



# Future Fuels UK – Key Highlights

DECEMBER

JANUARY

MARCH

APRIL

MAY

JUNE

George Eustice Visit to Kehelland

George Eustice Bill

Amendment to Energy Bill - Lord Berkley (Labour)

Launch of Kehelland Report

MP Meetings in Parliament

Labour Amendment to Energy Bill

Meetings with Ministers



Dr Alan Whitehead  
Kerry McCarthy

Clause 104, page 98, line 35, at end insert—

"(1A) In making provision for the establishment of one or more schemes under subsection (1), the Secretary of State must produce a plan for low carbon heating in homes in which it is uneconomic or impractical to install heat pumps."

Member's explanatory statement

This amendment ensures that, when the Secretary of State is making a low carbon heat scheme, they have to provide a plan for low carbon heating in homes in which it is uneconomic/unfeasible to have a heat pump (large, rural, off-grid homes etc).



# Key Asks of Government - UK

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1. Be fair to rural communities
2. Present technology neutral solutions
3. Bring the fuel duty rate of HVO for heating in line with that of kerosene heating oil and sustainable aviation fuel
4. Create a mechanism (Renewable Liquid Fuel Obligation - RLFO) which would extend or mirror for home heating the current provisions within the Renewable Transport Fuel Obligation (RTFO) which creates a price reduction for HVO to end users of vehicles, mobile machinery and aircraft

**None of these asks require additional funding from Government and will contribute significantly to earlier carbon budgets**

# Ireland – Future Fuels

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- After successful engagement from TAZCH, the Government has now pledged to implement an RHO by 2024. Minister Eamon Ryan has admitted that a “range of renewable energies that could be used to meet the obligation including bioliquids.”
- Despite this acknowledgement, there has been no concrete commitment to include liquid biofuels under the RHO. TAZCH will focus its efforts in 2023 on pushing for this outcome, combatting the narrative that the use of fuels like HVO are inefficient when it comes to decarbonising the sector.
- Creation of an HVO trial at the corporate headquarters of Longford Council.
- EU - “boilers certified to run on renewable fuels ... shall not be considered to be fossil heating systems.”

Fianna Fáil TD for Laois-Offaly Barry Cowen “insistence by Mr Ryan that we proceed to electrify transport and heat while ignoring other heat options, such as hydrotreated vegetable oil (HVO) and biogas, is off the wall.

Darren O’Rourke (Sinn Féin, Meath East) spoke about the residential heating sector. **“HVO, which can be used in traditional home heating oil boilers, cuts emissions by between 80% and 90% compared to home heating oil,” he said.** Deputy O’Rourke said that Sinn Féin will submit amendments to the Bill and will continue to engage with the process as they have concerns regarding the legislation.

Michael Creed (Fine Gael, Cork North-West) ...**asked why the document did not reference hydrotreated vegetable (HVO) which he said is compatible with new and existing boilers. He noted the prohibitive cost of a deep retrofit and said that HVO is “delivering an 88% reduction in carbon heating.”**



# Key Asks of Government - Ireland

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- Ensure RLFs are included in RHO
- Taxes and levies on renewable liquid fuels used in heating should be abolished.
- Treat biofuels like HVO for heating as renewable fuels for ticketing purposes.
- Acknowledge the role of RLFs in policy
- Urgently target the replacement of older non-condensing boilers in all public buildings, while introducing a boiler scrappage scheme to install biofuel compatible modern boilers



# Alternative Fuel Payments

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- All schemes have now shut
- Domestic households receiving manual payments (park homes, those with no electricity supplier etc) expected to be c100,000 (not all oil)
- Non-domestic payments via electricity suppliers appear to have gone smoothly with data expected in September
- Take up of Non-domestic “top-ups” targeted at customer usage greater than 10,000 litres below expectations. Possible reasons:
  - Targeting buildings rather than whole businesses
  - Confusion over fuel types particularly Industrial Heating Oil
  - Payments not enticing enough to go through the effort
  - Message not getting through to the right people
  - General lack of data sharing
- UKIFDA have received significant thanks for their help and have been asked to input into the review process





# Buy now pay later (BNPL)

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- Having taken on board the evidence provided by stakeholders in response to the Original Consultation, the Treasury concluded that it would be disproportionate to regulate all agreements provided by merchants online or at a distance, *“as it would potentially capture the types of arrangement where there is little, if any, evidence of there being a substantive risk of consumer detriment”*.
- The Treasury recognised that a large number of such merchants, whose main business is the provision of goods and services rather than financial services, would experience a disproportionate burden of regulation if their credit provision in accordance with the Exemption was brought within the scope of FCA regulation and this may lead to them ceasing to offer ‘useful, low risk agreements’ to customers as a result of needing to become FCA authorised.
- **The government’s view, therefore, is that regulation of BNPL Agreements should be limited to agreements offered by third party lenders, irrespective of whether they are provided online/at a distance or face to face**



# Fuel Theft

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- Significant increase since January (7 thefts totalling c160,000 litres)
- Same MO
- While data shows little in the way of trends there does appear to be regional pockets
  - UKIFDA now regularly contact companies when a theft occurs in their region
  - Particular recent concentration in Scotland and South Midlands areas
- Continue to sit on the Police taskforce – this has recently had a change of ownership and is now run by two senior police officers from Norfolk
- “Promising leads” but no further detail



# Safe deliveries

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- Well attended safety forum at end of April
- Agreed to significant change in safe delivery guidance
  - Removing the option of getting customer sign off
  - Removing the cumulative approach to warning signs
  - Creating a red stop approach
  - Discussions on how to share information particularly through third parties
- UKIFDA will revise the guidance and set up a small working group
- Target to have revised guidance by year end



# KPIs for 22/23

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- Work with government to get payments to customers successfully
- Work with government and other interested parties to achieve a smooth winter
- Financial results in line with budget
- Successful UKIFDA show and conference in line with budget
- Position EXPO 2024 to ensure maximum exhibitor attendance
- Take back control of Training including having trainers report directly to UKIFDA
- Complete data gathering exercise on an historical basis and get agreement on on-going data gathering
- Push forward future fuels agenda with all governments



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**Questions**



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**Formal AGM Business**



# Formal AGM Business

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1.	To receive and adopt the Minutes of the 25th Annual General Meeting of the UK & Ireland Fuel Distributors Association Ltd (held at Liverpool Exhibition Centre on Thursday 28th April 2022 at 2pm.) (circulated with this agenda)
2.	To consider any matters arising from the minutes not otherwise on the agenda
3.	To elect any Representatives to Executive Council due for election or re-election (2-year period) <ul style="list-style-type: none"><li>• Re-elect Nicholas Hayes as Ireland Representative</li></ul>
4.	To elect any Representatives to Management Committee due for election or re-election (2-year period) <ul style="list-style-type: none"><li>• Alison Buckley (Supply Plus) as Associates Representative</li></ul>
5.	To elect Co-opted Council Members to Management Committee due for election or re-election (2-year period) <ul style="list-style-type: none"><li>• Claire Bishop (WFL)</li></ul>
6.	To elect any Regional Representatives to Management Committee due for election or re-election (2-year period) <ul style="list-style-type: none"><li>• Stu Illingworth (Northern Energy) as NE and Yorkshire Representative replacing Janet Kettlewell</li></ul>
7.	To receive the report of the Treasurer <ul style="list-style-type: none"><li>• Receive and adopt the 2021/2022 Balance Sheet, Income and Expenditure Account and related Audit Report</li><li>• Re-appoint auditors WR Partners at rates to be agreed by the Executive Council.</li></ul>
8.	To receive the Annual Report of the Chief Executive



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**Close**

