Rule 1.24

The Insolvency Act 1986

Form 1.1

# S.4

# Report of Meetings
# Approving Voluntary Arrangement

**Pursuant to section 4 of the Insolvency Act 1986**

To the Registrar of Companies

For official use

Company number

04300824

Name of company

Insert full name(s) of company

Biofuels Corporation Trading Limited

Insert full name and address

I Howard Smith
of KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Insert date

the Chairman of the meetings held pursuant to section 3 of the Insolvency Act 1986, on 11 December 2009 enclose a copy of my report on the outcome of the meetings pursuant to section 4 of the Insolvency Act 1986.

Signed Howard Smith Dated 11 December 2009

Joint Nominee and Joint Supervisor

Presenter's name, address and reference (if any)

KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

For Official Use

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THE LAW COURTS AT NEWCASTLE UPON TYNE
15 DEC 2009
A/C No. 25317

**Chairman's report of the meetings held on 11 December 2009 to consider a company voluntary arrangement of Biofuels Corporation Trading Limited**

**14 December 2009**

**Outcome of the meetings**

The proposal for a voluntary arrangement was approved by both the creditors and members of the company without modifications

**Council Regulation (EC) No 1346/2000 ("the EC Regulation")**

In the opinion of the Supervisors, Howard Smith and Mark Firmin, the EC Regulation applies to the voluntary arrangement and the proceedings are main proceedings.

**Developments to Proposals and Impacts**

- The Company's plant and machinery will no longer be transferred to a "Newco" established by Richard Nickels, a director of the Company. This plant will now be transferred to the Company's landlord and a creditor of the Company Seal Sands Storage Limited ("SSSL"). The implications of this transfer are: -

- The Company will transfer the plant only to SSSL for £25,000. These funds will be payable to Barclays Bank Plc as consideration for the release of their charge, on the acceptance of the proposal.
- Barclays will pay £40,000 to SSSL as a contribution towards decommissioning, not £50,000 to the Newco, as per the directors original proposals.
- SSSL's rights of lien over Stock and all other claims are waived until 31 March 2010 only and subject to the New Storage Contracts.
- The decommissioning will be done by and disposal will be made to SSSL not the Newco, as per the directors original proposals. Ongoing holding costs will no longer be the responsibility of the Company subject to the New Storage Contracts.
- SSSL's existing and future claims against the Company will be waived subject to the New Storage Contracts.
- All ongoing liabilities and costs of the Company in relation to the plant will be assumed by SSSL subject to the New Storage Contracts.
- SSSL will assist with the sale of Stock up to 31 March 2010.
- SSSL will receive 50% of the stock sale proceeds, to a maximum of £900,000, in full and final settlement of all present and future amounts, subject to the New Storage Contracts.

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- The position in relation to the residual stock held at 31 January 2010 is unchanged from the directors' original proposal, in that the Supervisors have the ability to call a meeting of creditors to decide how to proceed, if the storage costs exceed £37,500.

- Under the New Storage Contracts with SSSL, the stock will be stored by SSSL on behalf of the Company:

  - At the Company's previous plant site free of charge until 31 March 2010; and
  - At SSSL's main storage site free of charge until 31 January 2010, at a maximum liability of £8,000 per tank per month until 31 March 2010 and on standard terms and conditions from 1 April 2010.

**Impact of these changes**

The nominees do not view these developments to the proposal as being material to the outcome for creditors disclosed to the Company's creditors in the directors proposals.

# The creditors' meeting

**Resolutions taken at the creditors' meeting**

**Resolution 1**

That the proposal of Biofuels Corporation Trading Limited for a voluntary arrangement dated 24 November 2009 and made under Part 1 of the Insolvency Act 1986 be agreed and approved

**Resolution 2**

The Joint Nominees being Howard Smith and Mark Firmin be appointed Joint Supervisors of the arrangement.

# The creditors' meeting

## Details of voting at the creditors' meeting

| Creditor | Value of claim | Resolution 1 | | Resolution 2 | | Comments |
|---|---|---|---|---|---|---|
| | £ | For | Against | For | Against | |
| Acumen Waste Services | 81,275.88 | 81,275.88 | | 81,275.88 | | |
| Agility Logistic Limited | 14,095.51 | 14,095.51 | | 14,095.51 | | |
| BEA Electrics GmbH | 3,760.35 | 3,760.35 | | 3,760.35 | | |
| De Lange Landen | 19,528.07 | 19,528.07 | | 19,528.07 | | |
| Eemits Communications Ltd | 6,503.25 | 6,503.25 | | 6,503.25 | | |
| Excel Commercial Services Ltd | 1,674.40 | 1,674.40 | | 1,674.40 | | |
| ITS Testing Services (uk) Ltd | 86,969.33 | 86,969.33 | | 86,969.33 | | |
| Leven Bridge Pipework Services Ltd | 6,164.00 | 6,164.00 | | 6,164.00 | | |
| Newlife Cleaning Systems Ltd | 394.14 | 394.14 | | 394.14 | | |
| Northumbrian Water | 122,280.78 | 122,280.78 | | 122,280.78 | | |
| Normans of Billingham | 845.27 | 845.27 | | 845.27 | | |
| Plough Engineering Services Ltd | 19,219.93 | 19,219.93 | | 19,219.93 | | |
| Powerstream | 8,447.77 | 8,447.77 | | 8,447.77 | | |
| Premier Fluid Solutions Ltd | 1,831.95 | 1,831.95 | | 1,831.95 | | |
| R.S. Components Ltd | 859.47 | 859.47 | | 859.47 | | |
| Safety Kleen UK Ltd | 648.60 | 648.60 | | 648.60 | | |
| Speedy Hire Scotland Ltd | 7,450.54 | 7,450.54 | | 7,450.54 | | |
| TAGZ Limited | 8,999.90 | 8,999.90 | | 8,999.90 | | |
| Teesside University | 570.00 | 570.00 | | 570.00 | | |
| Transmore Van Hire Ltd | 952.34 | 952.34 | | 952.34 | | |
| Verder Ltd | 4,204.77 | 4,204.77 | | 4,204.77 | | |
| Ward Haddaway | 6,323.81 | 6,323.81 | | 6,323.81 | | |
| Wolviston Management Services Ltd | 15,287.11 | 15,287.11 | | 15,287.11 | | |
| SSSL | 807,195.93 | 807,195.93 | | 807,195.93 | | |
| David Aallan Gott | 9,780.00 | 9,780.00 | | 9,780.00 | | |
| David Ronald Mcleary | 9,530.00 | 9,530.00 | | 9,530.00 | | |
| Stephen Keith Mackenzie | 7,300.00 | 7,300.00 | | 7,300.00 | | |
| Norman Bleasdale | 8,750.00 | 8,750.00 | | 8,750.00 | | |
| Alan Cooper | 10,030.00 | 10,030.00 | | 10,030.00 | | |
| Geoffrey Dickinson | 11,705.00 | 11,705.00 | | 11,705.00 | | |
| Robert John Gaw | 9,580.00 | 9,580.00 | | 9,580.00 | | |
| Alan Kenxon | 10,570.00 | 10,570.00 | | 10,570.00 | | |
| Neil McLoughlin | 65,000.00 | 65,000.00 | | 65,000.00 | | |

# The creditors' meeting

| | | | | | | |
|---|---|---|---|---|---|---|
| Richard Nickels | 79,280.00 | 79,280.00 | | 79,280.00 | | |
| Paul Elliott | 42,640.00 | 42,640.00 | | 42,640.00 | | |
| Kevin Frew | 11,385.00 | 11,385.00 | | 11,385.00 | | |
| David McCue | 11,705.00 | 11,705.00 | | 11,705.00 | | |
| Lee Wood | 13,945.00 | 13,945.00 | | 13,945.00 | | |
| Simon Hall | 9,190.00 | 9,190.00 | | 9,190.00 | | |
| Paul Martindale | 8,510.00 | 8,510.00 | | 8,510.00 | | |
| Neil Ladyman | 10,125.00 | 10,125.00 | | 10,125.00 | | |
| David Knights | 12,530.00 | 12,530.00 | | 12,530.00 | | |
| KK Robb | 7,250.00 | 7,250.00 | | 7,250.00 | | |
| David Swan | 11,710.00 | 11,710.00 | | 11,710.00 | | |
| Chris Hutchinson | 7,250.00 | 7,250.00 | | 7,250.00 | | |
| Steven Heawood | 11,705.00 | 11,705.00 | | 11,705.00 | | |
| Stephen Salvin | 7,250.00 | 7,250.00 | | 7,250.00 | | |
| Keith Jones | 9,010.00 | 9,010.00 | | 9,010.00 | | |
| Gary Dalton | 11,195.00 | 11,195.00 | | 11,195.00 | | |
| Michael Gillatt | 17,770.00 | 17,770.00 | | 17,770.00 | | |
| Dennis Umpleby | 11,030.00 | 11,030.00 | | 11,030.00 | | |
| Paul Matthew Hensby | 7,815.00 | 7,815.00 | | 7,815.00 | | |
| Philip Close | 11,280.00 | 11,280.00 | | 11,280.00 | | |
| Paul Bew | 8,960.00 | 8,960.00 | | 8,960.00 | | |
| Dean Tunney | 7,125.00 | 7,125.00 | | 7,125.00 | | |
| Stephen Pratt | 6,776.00 | 6,776.00 | | 6,776.00 | | |
| Darren Callaghan | 8,890.00 | 8,890.00 | | 8,890.00 | | |
| Anthony Burns | 8,765.00 | 8,765.00 | | 8,765.00 | | |
| Andrew Walker | 16,250.00 | 16,250.00 | | 16,250.00 | | |
| Vic Mascia | 11,250.00 | 11,250.00 | | 11,250.00 | | |
| Desomond Seaman | 8,640.00 | 8,640.00 | | 8,640.00 | | |
| Adele Travis-Jones | 13,260.00 | 13,260.00 | | 13,260.00 | | |
| Brenntag UK | 6,418.38 | 6,418.38 | | 6,418.38 | | |
| John Wyatt Limited | 1.00 | 1.00 | | | | Objected to |
| EDF Energy | 180,521.66 | 180,521.66 | | 180,521.66 | | |
| ARCO Ltd (Teesside) | 454.54 | | 454.54 | | 454.54 | |
| HMRC - Net VAT and PAYE | 120,336.00 | | 120,336.00 | | 120,336.00 | |
| **Total** | 2,077,950.68 | 1,957,160.14 | 120,790.54 | 1,957,159.14 | 120,790.54 | |
| **% of total value** | | 94.2% | 5.8% | 94.2% | 5.8% | |
| **Results of vote** | | Approved | Rejected | Approved | Rejected | |

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# The members' meeting

**Resolutions taken at the members' meeting**

**Resolution 1**
That the proposal of Biofuels Corporation Trading Limited for a voluntary arrangement dated 24 November 2009 and made under Part 1 of the Insolvency Act 1986 be agreed and approved.

**Resolution 2**
The Joint Nominees being Howard Smith and Mark Firmin be appointed Joint Supervisors of the arrangement.

## The members' meeting

Details of voting at the members' meeting

| Member | Number of votes | Resolution 1 | | Resolution 2 | |
|---|---|---|---|---|---|
| | | For | Against | For | Against |
| Broomco (4091) Limited | 1 | 1 | | 1 | |
| Total | | | | | |
| % of total value | | 100% | 0% | 100% | 0% |
| Results of vote | | Approved | Rejected | Approved | Rejected |

# Other information

## Other information

The terms of the proposal, which were approved without modifications, include the basis on which the Supervisor will be remunerated and entitled to recover disbursements, as follows:

- *The supervisors will be remunerated on a time cost basis plus VAT. It is estimated that the total fee to be paid to the supervisors will be £30,000 plus VAT, based on the proposed supervisors' estimate of the time likely to be incurred by them and their staff, assuming the terms of the arrangement are fully complied with. In addition the supervisors shall be entitled to draw disbursements. These payments shall be made out of the monies that are to be introduced into the CVA and in the priority as set out in condition 43 of the model conditions but subject to condition 44.*

- *.... the supervisors.... will draw disbursements as follows:*

  *(i) Photocopying at 3p per sheet copied (only charged for circulars to creditors or for exceptional amounts of copying)*
  *(ii) Mileage, at a maximum of 62p per mile (cars up to 2,000 cc) or 81p per mile (cars over 2,000 cc)*
  *(iii) All other disbursements to be reimbursed at cost*

There is no further information which I think it appropriate to make known to the court.

Howard Smith
Chairman

14/12/09
Date