

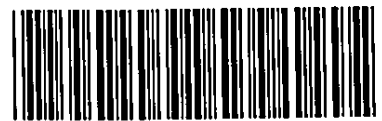
Registered No. 5998024

**Vivergo Fuels Limited**

(formerly Meadhurst Services (No 3) Limited)

**Report and Financial Statements**

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COMPANIES HOUSE

## **Vivergo Fuels Limited (formerly Meadhurst Services (No.3) Limited)**

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Registered No 5998024

### **Directors**

J P Platt	(appointed 16 November 2007)
C H Wilks	(appointed 26 June 2007, resigned 16 November 2007)
R C Fearnley	(appointed 1 June 2007, resigned 14 September 2007)
M I Carr	(appointed 14 September 2007)
P New	(appointed 26 June 2007)
D R Langlands	(appointed 26 June 2007)
A C Little	(resigned 1 June 2007)
F W M Starkie	(resigned 26 June 2007)

### **Secretary**

J Elvidge	(appointed 25 June 2007)
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### **Auditors**

Ernst & Young LLP  
PO Box 3  
Lowgate House  
Lowgate  
Hull  
HU1 1JJ

## Directors' report

The directors present their report and financial statements for the year ended 31 December 2007

### Results and dividends

The loss for the year, after taxation is £406,637 (2006 - £nil) The directors do not recommend a final ordinary dividend

### Change of Name

On 22 June 2007 the company changed its name to Vivergo Fuels Limited from Meadhurst Services (No 3) Limited

### Principal activity and review of the business

The company's principal activities during the year were design and engineering work for a wheat to ethanol fermentation plant. These activities will continue into 2008 along with the expected commencement of construction works

The company is a joint venture between BP, ABF and DuPont in the ratio (45%/45%/10%) The management and strategy of the company is set out in a Joint Venture Agreement between the parties

The company's key financial and other performance indicators will be established as the company becomes operational The key performance indicators at this stage are budget, performance to schedule, and compliance with the Joint Venture Agreement. All have been met in the current year

### Principal Risks and Uncertainties

The principal risk of the business would be not building the asset that is currently in the design and engineering phase, and in the future any political, economic or commercial changes that impact the strategy of the Joint Venture

### Directors and their interests

The directors at 31 December 2007 are as specified on Page 2 with no director having any interests in the share capital of the company


### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

Ernst & Young LLP were appointed auditors during the year A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

By order of the board

  
J Elvidge  
Secretary

2 May 2008

## **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards as adopted by the European Union

The Directors are required to prepare financial statements for each financial year which present fairly the financial position of the Company and the financial performance and cash flow of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information, and
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- state that the company has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements

The directors are responsible for keeping proper accounting records that 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 1985. 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.

# **Independent auditors' report**

**to the members of Vivergo Fuels Limited**

We have audited the financial statements of Vivergo Fuels Limited for the year ended 31 December 2007 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of recognised income and expenses and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Independent auditors' report

to the members of Vivergo Fuels Limited (continued)

### Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

*Ernst & Young LLP*

Ernst & Young LLP  
Registered auditor  
Hull

Date *2/5/2008*

## Income Statement

for the year ended 31 December 2007

	Notes	2007 £	2006 £
Administrative expenses		(506,031)	-
<b>Operating loss</b>		<b>(506,031)</b>	<b>-</b>
Finance revenue	5	129,144	-
Finance costs		-	-
<b>Loss on ordinary activities before taxation</b>		<b>(376,887)</b>	<b>-</b>
Tax on loss on ordinary activities	6	(29,750)	-
<b>Loss for the period</b>	13	<b>(406,637)</b>	<b>-</b>

## Statement of recognised income and expenses

There were no recognised gains or losses other than the loss attributable to shareholders of the company of £406,637 in the year ended 31 December 2007 and of £nil in the year ended 31 December 2006

Vivergo Fuels Limited (formerly Meadhurst Services (No 3) Limited)

## Balance sheet

at 31 December 2007

	Notes	2007 £	2006 £
<b>Non-current assets</b>			
Property, plant and equipment	7	2,987,508	-
<b>Current assets</b>			
Trade and other receivables	8	319,611	1
Cash and cash equivalents	9	5,962,018	-
<b>Total assets</b>		9,269,137	1
<b>Current liabilities</b>			
Trade and other payables	10	1,646,004	-
Income tax payable		29,750	-
<b>Total liabilities</b>		1,675,754	-
<b>Net assets</b>		7,593,383	1
<b>Capital and reserves</b>			
Share capital	12	8,000,020	1
Retained earnings	13	(406,637)	-
<b>Total equity</b>	13	7,593,383	1



21/5/08

M Carr  
Director



## Statement of cash flows

for the year ended 31 December 2007

	Notes	2007 £	2006 £
<b>Operating activities</b>			
Loss before tax		(376,887)	-
(Increase)/decrease in trade and other receivables	8	(319,610)	-
Increase/(decrease) in trade and other payables	10	1,646,004	-
<b>Net cash flow from operating activities</b>		<u>949,507</u>	<u>-</u>
Purchase of property, plant and equipment		(2,987,508)	-
<b>Net cash flow from investing activities</b>		<u>(2,987,508)</u>	<u>-</u>
<b>Financing activities</b>			
Proceeds from share issues	12	8,000,019	-
<b>Net cash flows from financing activities</b>		<u>8,000,019</u>	<u>-</u>
<b>Increase in cash and cash equivalents</b>		<u>5,962,018</u>	<u>-</u>
Cash and cash equivalents at the beginning of the period		-	-
<b>Cash and cash equivalents at the end of the period</b>	9	<u><u>5,962,018</u></u>	<u><u>-</u></u>

## Notes to the financial statements

at 31 December 2007

### 1. Accounting policies

#### *Accounting convention*

These financial statements of Vivergo Fuels Limited (the "Company") for the year ended 31 December 2007 were authorised for issue to the board of directors on [2/5/08] and the balance sheet was signed on the board's behalf by [M. Carr] and [ ]

Vivergo Fuels Limited is a limited company incorporated and domiciled in England & Wales. The registered office of the company is BP Group Secretariat, Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union as they apply to the financial statements of the Company for the year ended 31 December 2007.

#### *Basis of preparation*

These statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) as they apply to the financial statements of the company for the year ended 31 December 2007 and applied in accordance with the Companies Act 1985. IFRS as adopted by the EU differs in certain respects from IFRS as issued by the International Accounting Standards Board (IASB). However the financial statements for the periods presented would be no different had the Company applied IFRS as issued by the IASB. References to the IFRS hereafter should be construed as references to IFRS adopted by the EU. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2007.

The accounts for the year ended 31 December 2006 were prepared in accordance with UK GAAP. This year's accounts being in accordance with IFRS require a restatement of the year to 31 December 2006. Restatement of those accounts shows no changes so no reconciliation is presented.

The financial statements are presented in Sterling and all values are rounded to the nearest pound except where otherwise indicated.

These financial statements are prepared on the historical cost convention except for certain financial assets and liabilities including derivative financial instruments that are measured at fair value.

#### *Foreign currency translation*

The functional currency is the currency of the primary economic environment in which an entity operates. The presentation currency of the Company is Sterling. Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of transactions.

#### *Interest*

Interest on cash and cash equivalents and borrowings held at amortised cost is recognised in the income statement using the effective interest method.

#### *Property, plant and equipment*

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Cost comprises purchase price and directly attributable costs.

Property, plant and equipment are recognised as assets in the balance sheet if it is probable that the Company will derive future economic benefits from them and the cost of an asset can be reliably estimated. Property, plant and equipment are recognised at cost minus accumulated depreciation and any impairment losses. Cost includes purchase price plus expenses directly attributable to the asset in order to bring it to the location and condition to be operated in the intended manner.

## Notes to the financial statements

at 31 December 2007

### 1. Accounting policies (continued)

#### *Cash and cash equivalents*

Cash and cash equivalents for the purposes of the cash flow statement comprise cash at bank and in hand.

#### *Income taxes*

The tax expense represents the sum of current tax and deferred tax

Current tax is based on taxable profit or loss for the period. Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial information. Deferred tax arising from initial recognition of an asset or liability in a transaction, other than an acquisition, that at the time of the transaction affects neither accounting nor taxable profit or loss, is not recognised. Deferred tax is measured using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the asset is realised or the liability is settled. Deferred 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.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement.

#### *New standards and interpretations not applied*

The International Accounting Standards Board ("IASB") has issued the following standards and interpretations with an effective date after the date of these financial statements:

<i>International Financial Reporting Standard</i>	<i>Effective date</i>
IFRS 8 Operating segments	1 January 2009
IAS 1 Amendment – presentation of financial instruments	1 January 2007
Capital disclosures	

In addition, the International Financial Reporting Interpretations Committee ("IFRIC") has issued a number of new interpretations with effect dates ranging from 1 March 2007 to 1 January 2008. The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Company's financial information in the period of initial application.

## Notes to the financial statements

at 31 December 2007

### 2. Segment analysis

#### (i) Analysis by business segment

The Company's primary reporting segment comprise business segment and the secondary reporting format is based on geographical segments. The company has only one business segment design and engineering for the construction of a wheat to ethanol fermentation plant. Information presented elsewhere in these financial statements relate to that segment only.

#### (ii) Analysis by geography

In the period all assets, liabilities and capital expenditure originated in the United Kingdom

### 3. Operating expenses

This operating loss is stated after charging

	2007	2006
	£	£
Auditors' remuneration - audit services	3,500	-
- tax services	1,500	-
	<u>5,000</u>	<u>-</u>

### 4. Staff costs

The company has no direct employees as at 31 December 2007. None of the directors receive any remuneration as Directors of the Company.

### 5. Finance revenue

	2007	2006
	£	£
<i>Interest income</i>		
Bank interest receivable	129,144	-
Total finance revenue	<u>129,144</u>	<u>-</u>

### 6. Tax

#### (a) Analysis of the tax charge/(credit) for the period

	2007	2006
	£	£
UK Corporation tax*		
Current income tax charge	29,750	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Tax charge/(credit) in the income statement	<u>29,750</u>	<u>-</u>

## Notes to the financial statements

at 31 December 2007

### 6. Tax (continued)

(b) Reconciliation of the total tax charge for the period

A reconciliation of the tax charge/(credit) applicable to the company's loss before tax at the applicable tax rate of 30% to the provision for income taxes is as follows

	2007 £	2006 £
Loss before tax	(376,887)	-
Tax at the rate of 30%	(113,066)	
Non-deductible expenses	6,300	
Pre-commencement expenditure carried forward	145,509	
Rate difference	(8,993)	
Total tax expense in the consolidated income statement	29,750	-

Pre-commencement expenditure will be deductible for corporation tax purposes when the company commences to trade

### 7. Property, plant and equipment

	<i>Plant and equipment in the course of construction</i> £	<i>Total</i> £
Cost		
At 1 January 2007	-	-
Additions	2,987,508	2,987,508
At 31 December 2007	2,987,508	2,987,508
Depreciation		
At 1 January 2007 and 31 December 2007	-	-
Net book value		
At 31 December 2007	2,987,508	2,987,508
At 1 January 2007	-	-

Plant and equipment comprises design and engineering work for the construction of the wheat to ethanol fermentation plant.

### 8. Trade and other receivables

	2007 £	2006 £
Prepayments	-	-
Other receivables	319,611	1
	319,611	1

## Notes to the financial statements

at 31 December 2007

### 8. Trade and other receivables (continued)

The carrying value of trade and other receivables also represents their fair value

### 9. Cash and cash equivalents

	2007 £	2006 £
Cash at bank and in hand	5,962,018	-
Cash at bank and in hand attract interest at floating rate		

### 10. Trade and other payables

	2007 £	2006 £
Trade payables	-	-
Other accrued liabilities	1,646,004	-
	1,646,004	-

### 11. Financial instruments

Financial assets comprise cash and cash equivalents as set out in notes 9. There are no financial liabilities or borrowings at the balance sheet date

#### *Fair value of financial assets and financial liabilities*

The carrying value of financial assets and liabilities is equal or approximates to their fair value

### 12. Share capital

<i>Authorised</i>	2007 £	2006 £
Ordinary shares of £1 each	100,000,000	10,000
	100,000,000	10,000

On 25 June 2007, the authorised share capital was increased by £99,990,000 by the creation of 99,000,000 ordinary shares of £1 each

<i>Allotted, called up and fully paid</i>	2007 £	2006 £
At 1 January 2007	1	-
Shares issued	8,000,019	1
At 31 December 2007	8,000,020	1

8,000,019 ordinary shares were issued at par £1 on 14 September 2007 for cash consideration of £8,000,019

## Notes to the financial statements

at 31 December 2007

### 13. Reconciliation of movements in shareholders' funds

	<i>Share capital</i>	<i>Retained earnings</i>	<i>Total</i>
	£	£	£
At 1 January 2006	-	-	-
Share capital issues for the year	1	-	1
At 1 January 2007	1	-	1
Total loss recognised for the year	-	(406,637)	(406,637)
Share capital issued during the year	8,000,019	-	8,000,019
At 31 December 2007	8,000,020	(406,637)	7,593,383

### 14. Related parties

#### *Transactions with associated undertakings*

Transactions with BP, British Sugar and DuPont all shareholders of the company (45%/45%/10%)

	<i>2007</i>	<i>2007</i>
	<i>Transaction amount</i>	<i>Outstanding balance</i>
	£	£
BP	554,459	345,233
ABF	192,875	192,875
DuPont	17,550	17,550

Terms and conditions of these transactions were for payment at end of month following the date of invoice. In 2006 the only transaction was a £1 debtor due from BP Global.