

MIDDLESBROUGH OILS UK LIMITED

Report and Financial Statements

For the year ended

30 June 2013



REPORT AND FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 30 June 2013

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company's principal activity during the period was that of a holding company for the NEOS Resources plc group's business in India. The company has not traded in its own right during the period.

BREAK-UP BASIS

The financial statements have been prepared on a break-up basis mirroring the presentation of the accounts of the ultimate parent undertaking for which the going concern basis of preparation was deemed to be inappropriate. The company has no liabilities and its only trading asset is its investment in the group's Indian business which had been written down to the expected recoverable amount of £100 in the previous period and whose operations have ceased in December 2013.

RESULTS AND DIVIDENDS

The results for the year ended 30 June 2013 are set out in detail on page 5. No final dividend has been proposed (18 month period ended 30 June 2012: £nil).

DIRECTORS

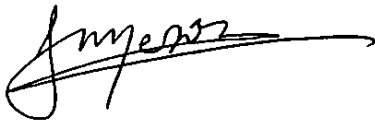
The directors of the company who served during the period were

- Steven Rudofsky (resigned on 29 March 2013)
- Nicholas Myerson

AUDITORS

Grant Thornton UK LLP will be proposed for reappointment at the forthcoming Annual General Meeting in accordance with Section 489 (4) of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board



Nicholas Myerson
Director

08 May 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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.

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. 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.

The directors confirm that

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIDDLESBROUGH OILS UK LIMITED

We have audited the financial statements of Middlesbrough Oils UK Limited for the year ended 30 June 2013 which comprise the profit & loss account, the balance sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of Part 16 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 auditor's 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 director and auditor

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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion, the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to the disclosures in Note 1 to the financial statements concerning the basis of accounting. The Directors do not believe that the company and the group headed by NEOS Resources plc has sufficient cash resources to sustain the business for a period of 12 months following the year end date. As a consequence, the Directors do not consider the company to be a going concern and the financial statements have been prepared on a basis other than going concern.

Opinion on other matter prescribed by the Companies Act 2006

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

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 company, or returns adequate for our 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.

Grant Thornton UK LLP

Paul Creasey

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Reading

16 May 2014

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2013

	Note	2013 (12 months) £000	2012 (18 months) £000
Administrative expenses		-	(22)
Impairment of investment in joint venture		-	(100)
Impairment of intra-group loans		-	(940)
Impairment of subsidiary investments		(100)	(3,629)
OPERATING LOSS AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(100)	(4,691)
Tax on loss ordinary activities	5	-	-
LOSS FOR THE FINANCIAL YEAR	8, 9	(100)	(4,691)

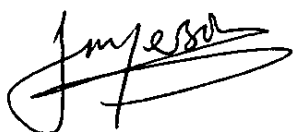
The accompanying notes for part of the financial statements

BALANCE SHEET
At 30 June 2013

	Note	At 30 June 2012 £000	At 30 June 2012 £000
FIXED ASSETS			
Investments	6	-	100
		-	100
NET CURRENT ASSETS		-	-
TOTAL ASSETS LESS CURRENT LIABILITIES		-	100
NET ASSETS		-	100
CAPITAL AND RESERVES			
Called up share capital	7	1,045	1,045
Capital contribution	8	32,533	32,533
Profit and loss account	8	(33,578)	(33,478)
TOTAL EQUITY SHAREHOLDERS FUNDS	9	-	100

These financial statements were approved and authorised for issues by the Board of Directors on 5 May 2014 and are signed on its behalf by

Nicholas Myerson
Director



The accompanying notes for part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

1. AUTHORISATION OF FINANCIAL STATEMENTS

Going concern

The financial statements have been prepared on a break-up basis which assumes that the company will not continue in operational existence for the foreseeable future. The company has no liabilities and its only trading asset is its investment in the group's Indian business which was written down to the expected recoverable amount of £100 and whose operations ceased in December 2013. The Directors have concluded that there were no adjustments required to the carrying value of any balances as a result of the decision to prepare the accounts on the break-up basis.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The company's financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently in both the current and previous financial year.

Under s398 and s399 of Companies Act 2006, the company is exempt from preparing consolidated financial statements and the financial statements show information about the company as an individual entity.

The company is a wholly owned subsidiary of NEOS Resources plc and has therefore taken advantage of the exemption within FRS1 'Cash flow Statements' from preparing a cash flow statement.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation on tangible fixed assets is calculated to write off their cost, less estimated residual value, over their expected useful lives at the following annual rates using the straight line method

Plant and machinery 3 – 10 years

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recovered

Foreign currencies

Monetary assets and liabilities denominated in overseas currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Individual transactions are translated at the rate of exchange ruling on the date of transaction. All exchange differences are taken to the profit and loss account, except for those relating to foreign currency loans, the extent they are used to finance foreign currency investments, which are taken directly to reserves together with the exchange difference on the carrying amount of the related investment

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

No directors received remuneration in respect of their services to the company for the year ended 30 June 2013 (2012 £9)

The company had no employees (2010 nil)

4. OPERATING LOSS

	2013 (12 months) £000	2012 (18 months) £000
Operating loss is stated after charging:		
Depreciation of owned fixed assets	-	9

Auditors' remuneration in the current period and prior year was borne by NEOS Resources plc

5. TAX ON LOSS ON ORDINARY ACTIVITIES

1) Analysis of tax on loss on ordinary activities

	2013 (12 months) £000	2012 (18 months) £000
United Kingdom corporation tax at effective rate of 24% (2012 26%) based on the loss for the period	-	-
Deferred tax	-	-
Tax on loss on ordinary activities	-	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

5. TAX ON LOSS ON ORDINARY ACTIVITIES (CONTINUED)

ii) Factors affecting the tax charge for the current period

The tax assessed for the period is higher than that resulting from applying the effective standard rate of corporation tax in the UK 23% (2012 26%) The differences are explained below

	2013 (12 months) £'000	2012 (18 months) £'000
Loss on ordinary activities before tax	-	(5,524)
Tax at 23% (2012 26%) thereon	-	(1,574)
Expenses not deductible for tax purposes	-	1,405
Unrecognised tax losses	-	142
	-	-

The company has no trading tax losses carried forward

6. FIXED ASSET INVESTMENTS

	Investment in group undertakings £000	Investment in joint ventures £000	Total £000
Cost			
At 1 July 2012	4,359	406	4,765
Additions	-	-	-
At 30 June 2013	4,359	406	4,765
Provision for impairment			
At 1 July 2012	(4,259)	(406)	(4,665)
Current period	(100)	-	(100)
At 30 June 2013	(4,359)	(406)	(4,765)
Net Book Value			
At 30 June 2013	-	-	-
At 30 June 2012	100	-	100

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

The company owns more than 10% of the share capital of the following companies. All shareholdings are direct investments except where stated otherwise.

	Country of registration	Nature of business	Shareholder class	Holding %
D1 Oils Fuel Crops India Private Ltd	India	Oil processing and trading	Ordinary	100
PT D1 Oils Indonesia	Indonesia	Dormant	Ordinary	100
D1-Williamson Magor Bio Fuel Ltd	India	Dormant	Ordinary	50
D1-BP Fuel Crops Zambia Ltd	Zambia	Dormant	Ordinary	100
D1-BP Fuel Crops South Africa Pty Ltd	South Africa	Dormant	Ordinary	95
D1-BP Fuel Crops Asia Pacific Pte Ltd	Singapore	Dormant	Ordinary	100
D1 Mohan Bio-Oils Ltd	India	Dormant	Ordinary	50
D1-BP Fuel Crops Philippines Inc (indirect)	Philippines	Dormant	Ordinary	100

7. SHARE CAPITAL

	2013 No.	2013 No.
Authorised		
Ordinary shares of £1 each	1,045,005	1,045,005
	<u> </u>	<u> </u>
	At 30 June 2013 £000	At 30 June 2012 £000
Called up, allotted and fully paid		
Ordinary shares of £1 each	1,045	1,045
	<u> </u>	<u> </u>

8. MOVEMENTS ON RESERVES

	Capital contribution reserve £000	Profit and loss account £000
At 1 July 2012	32,533	(33,478)
Loss for the financial period	-	(100)
	<u> </u>	<u> </u>
At 30 June 2013	32,533	(33,578)
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

9. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	At 30 June 2013 £000	At 30 June 2012 £000
Opening equity shareholders' funds	100	4,791
Loss for the financial period / year	(100)	(4,691)
Net decrease in shareholders' funds	-	(4,691)
Closing equity shareholders' funds	-	100

10. RELATED PARTY TRANSACTIONS

In accordance with Financial Reporting Standard No 8, the company has taken advantage of the exemption from the requirement to disclose related party transactions with certain Group companies, as the consolidated financial statements in which the company is included are publicly available

11. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking is D1 Oils Fuel Crops Limited, a company incorporated in the United Kingdom

The company's ultimate parent undertaking is NEOS Resources plc. The ultimate parent undertaking has included the company's financial statements in its consolidated financial statements, copies of which are available from the company at 27/28 Eastcastle Street, London W1W 8DH