

D1 OILS TRADING LIMITED

Report and Financial Statements

For the year ended

30 June 2013



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COMPANIES HOUSE

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

Historically the company's activity was that of refining and trading of bio-diesel. Following the cessation of this activity, the company traded crude Jatropha oil in the UK market. This activity was ceased during the previous period. The company no longer trades and its principal activity during the period was that of a holding company for various subsidiaries in the NEOS Resources plc group. However, all activities in the group's Indian subsidiary were wound down in 2013 and had ceased by December 2013. Consequently, the company has taken a full impairment against the carrying value of its investment in subsidiary undertakings as at the balance sheet date.

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 nil 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 6. No final dividend has been proposed (18 month period ended 30 June 2012: £nil).

DIRECTORS

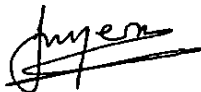
The directors of the company who served during the period were

- Steven Rudofsky (resigned on 25 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF D1 OILS TRADING LIMITED

We have audited the financial statements of D1 Oils Trading Limited for the year ended 30 June 2013 which comprise the profit and loss account, the statement of total recognised gains and losses, 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 profit 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF D1 OILS TRADING LIMITED

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 Total	2012 (18 months) £000 Total
TURNOVER		-	27
Cost of sales		-	(20)
		<hr/>	<hr/>
GROSS PROFIT		-	7
Other operating income		411	-
Administrative expenses		-	(54)
Impairment of group investments	6	(101)	(861)
		<hr/>	<hr/>
OPERATING PROFIT/(LOSS)	4	310	(908)
Other income		3	57
Interest payable and similar charges		-	(81)
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		313	(932)
Tax on profit/(loss) on ordinary activities	5	-	-
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	11	313	(932)
		<hr/>	<hr/>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 June 2013

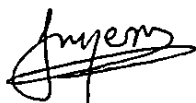
There are no recognised gains or losses other than the loss recognised in the profit and loss account (18 month period ended 30 June 2012 none)

The accompanying notes form part of these financial statements

BALANCE SHEET
At 30 June 2013

	Note	At 30 June 2013 £000	At 30 June 2012 £000
FIXED ASSETS			
Investments	6	-	101
		<u>-</u>	<u>101</u>
CURRENT ASSETS			
Debtors			
- amounts falling due within one year	7	9	8
Cash		203	352
		<u>212</u>	<u>360</u>
CREDITORS: amounts falling due within one year		<u>-</u>	<u>-</u>
NET CURRENT ASSETS / (LIABILITIES)		<u>212</u>	<u>360</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>212</u>	<u>461</u>
CREDITORS: amounts falling due after more than one year		<u>-</u>	<u>(562)</u>
NET (LIABILITIES) / ASSETS		<u><u>212</u></u>	<u><u>(101)</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	125	125
Share premium account	11	438	438
Capital contribution account	11	55,634	55,634
Profit and loss account	11	(55,985)	(56,298)
TOTAL EQUITY SHAREHOLDERS' (DEFICIT) / FUNDS	12	<u><u>212</u></u>	<u><u>(101)</u></u>

These financial statements were approved by the Board of Directors on 8 May 2014



Nicholas Myerson
Director

NOTES TO THE FINANCIAL STATEMENTS
for the 18 month period ended 30 June 2012

1. AUTHORISATION OF FINANCIAL STATEMENTS

Fundamental accounting concept

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 nil in the previous period 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.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

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 income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither the accounting nor taxable profit or loss,
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future, and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise tax is recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS
for the 18 month period ended 30 June 2012

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 £nil)

The company had no employees (2012 nil)

4. OPERATING PROFIT/(LOSS)

The operating profit is arrived at after recognising as other operating income the gain upon de-recognition of the BP International Limited deferred consideration liability further explained in note 9

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

5. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

i) 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	-	-

ii) Factors affecting the tax charge for the current period

The tax assessed for the period is lower than that resulting from applying the effective standard rate of corporation tax in the UK 24% (2012 26%) The differences are explained below

	2013 (12 months) £'000	2012 (18 months) £'000
Profit / (Loss) on ordinary activities before tax	313	(932)
Tax credit at 24% (2010 26%) thereon	(75)	242
Expenses not deductible for tax purposes	-	(224)
Utilisation of tax losses	75	-
Unrecognised tax losses	-	(18)
	-	-

At 30 June 2013 the company had net trading tax losses of £16.0 million (2012 £16.1 million) available to set off against future trading profits of the company from the same trade. A deferred tax asset has not been recognised in respect of these losses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised in the year is £4.2 million (2012 £4.2 million)

NOTES TO THE FINANCIAL STATEMENTS
for the 18 month period ended 30 June 2012

6. FIXED ASSET INVESTMENTS

Fixed asset investments comprise shares in group undertakings

	At 30 June 2013 £'000	At 30 June 2012 £'000
Cost and Net Book Value		
Cost at 30 June 2012 and 30 June 2013	101	962
Provision for impairment	(101)	(861)
	<hr/>	<hr/>
Net Book Value	<hr/> - <hr/>	<hr/> 101 <hr/>

The directors are of the opinion that there is doubt about the ability of its indirect subsidiary company, D1 Oils Fuel Crops Private Ltd, to generate profits. Accordingly, its direct investment in D1 Oils Fuel Crops Limited was impaired to its expected recoverable amount.

At 30 June 2013, the company owns more than 10% of the share capital of the following trading companies

	Country of registration	Holding %	Nature of business	Shareholder Class
D1 Oils Fuel Crops Limited	UK	100% Direct	Holding company	Ordinary
Middlesbrough Oils UK Limited	UK	100% Indirect	Holding company	Ordinary
D1 Oils Fuel Crops Private Limited	India	100% Indirect	Oil processing & trading	Ordinary

The directors are of the opinion that there is doubt about the ability of its indirect subsidiary company, D1 Oils Fuel Crops Private Ltd, to generate profits and therefore its direct investment in D1 Oils Fuel Crops Limited has been impaired.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 30 June 2013 £000	At 30 June 2012 £000
Amounts owed by group undertakings	9	9
Other debtors	-	-
	<hr/>	<hr/>
	<hr/> 9 <hr/>	<hr/> 9 <hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the 18 month period ended 30 June 2012

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	At 30 June 2013 £000	At 30 June 2012 £000
Other creditors	-	-
	<u>-</u>	<u>-</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	At 30 June 2013 £000	At 30 June 2012 £000
Other creditors	-	562
	<u>-</u>	<u>562</u>

Other creditors in the comparison period represented the discounted deferred consideration of £600,000 payable to BP International Limited for the acquisition of 50% of D1 Oils Fuel Crops Limited in 2009. Settlement of the balance due was to be made by 31 December 2014 but in exchange for a cash payment of £150,000 in April 2013, BP International Limited agreed to cancel the liability in full.

10. SHARE CAPITAL

Authorised, called up, allotted and fully paid	At 30 June 2013 £000	At 30 June 2012 £000
74,250 Ordinary 'A' shares of £1 each	74,250	74,250
50,750 Ordinary 'B' shares of £1 each	50,750	50,750
	<u>125,000</u>	<u>125,000</u>

11. MOVEMENTS ON RESERVES

	Capital contribution account £'000	Share premium account £'000	Profit and loss account £'000
At 1 July 2012	55,634	438	(56,298)
Profit for the financial year	-	-	313
Capital contribution	-	-	-
	<u>55,634</u>	<u>438</u>	<u>(55,985)</u>
At 30 June 2013	55,634	438	(55,985)

NOTES TO THE FINANCIAL STATEMENTS
for the 18 month period ended 30 June 2012

The capital contribution during the period represents inter-company liabilities which were extinguished

12. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	At 30 June 2013 £'000	At 30 June 2012 £'000
Opening equity shareholders' funds	(101)	642
Profit/(Loss) for the financial period	313	(932)
Capital contribution / (repayment)	-	189
	<u>212</u>	<u>(101)</u>
Closing equity shareholders' (deficit) / funds		

13. 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

14. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

The company's immediate and ultimate parent undertaking is NEOS Resources plc, a company incorporated in the United Kingdom. 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