

YCO DEUXMIL PLC
(FORMERLY DEUXMIL MARINE PLC)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

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for the year ended 31 December 2007**

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YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Company Information
for the year ended 31 December 2007

DIRECTORS:	L J Milton N Miller C A Smith P Jay P Shea (Appointed on 18 January 2008) C Birkett (Appointed 27 May 2008) G Wright (Appointed 27 May 2008)
SECRETARY:	C A Smith
REGISTERED OFFICE:	Finsgate 5 - 7 Cranwood Street London EC1V 9EE
NOMINATED ADVISER:	W H Ireland Limited 11 St. James's Square Manchester M2 6WH
BROKER:	Hichens, Harrison & Co. Plc Bell Court House 11 Blomfield Street London EC2M 1LB
SOLICITORS:	Beachcroft LLP 100 Fetter Lane London EC4A 1BN
BANKERS :	Coutts & Co. 440 Strand London WC2R 0QS
REGISTRARS:	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
REGISTERED NUMBER:	05011189 (England and Wales)
AUDITORS:	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE
WEBSITE:	www.ycodeuxmil.com

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Chairman's Statement
for the year ended 31 December 2007

It gives me great pleasure to present the figures for the year ended 31 December 2007.

Financial Highlights

During the period under review turnover increased by 28.9% to £16,633,307 (2006: £12,903,451), gross profit rose by 128% to £1,511,582 (2006: £661,592), and profit before tax was up by 158% to £409,849 (2006: £158,492).

Whilst in line with my interim statement, these results for the period are all the more pleasing given they were achieved against the backdrop of a very weak dollar, a significant increase in the worldwide price of oil, and the inherent workload of "bedding in" last year's acquisitions during the busiest time of the year. I am also pleased to report that the number of yachts fuelled during the year rose to 303 (2006: 271). Perhaps most significantly the Group is still debt-free and maintains a positive cash-flow.

Once again, I believe that these results demonstrate the Group's resilience to adverse outside influences, the quality of its various brands, and the skill and dedication of its personnel.

Additionally, I can report that the first quarter of 2008 has been very encouraging and shows a significant improvement over the same period in 2007 as the Group continues to expand its business base.

Post Year Events

Although I would not normally comment in this statement on post year-end events other than a brief mention of trading conditions, one event is so significant to the future of the Group that it needs to be mentioned.

On 27 May 2008 we completed the acquisition of YCO, a super yacht sale, purchase, charter, management, and crew recruitment company based in Monaco. YCO also project manages super yacht builds of which it currently has nine on the go. This acquisition is a large part of our stated strategy of becoming a market consolidator as it uniquely delivers super yacht operations that were previously not contained within the Group, and vice versa.

Given the strength of the YCO branding, the Board additionally took the decision to change the name of our Group to "YCO Deuxmil plc", which now has over 80 employees across 8 European offices.

Outlook

Over the period under review we have concentrated on integrating our acquisitions in Spain and Gibraltar. A new office was opened in Gibraltar and we have rationalised the management structure and staff complement in Palma making it a much leaner and more efficient operation. Now, with the addition of YCO to the Group, I see the year of 2008 as one of further consolidation and integration of our various businesses so that we may exploit the obvious synergies that exist across the various facets of the Group in order to produce greater shareholder value.

It is also our intention in 2008 to begin a "roll-out" of Yacht Help Group offices in a select number of locations around the world, each office including a YCO Crew operation within it. We have just started an initial test of the combination of the two businesses within the Yacht Help Group offices in Palma and I am pleased to report that the initial results are very encouraging. I hope to report further progress on the development of this structure in my next interim statement.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Chairman's Statement (continued)
for the year ended 31 December 2007

Summary

As I have stated in previous statements our strategy has always been one of diversification within the super yacht industry and becoming a leading market consolidator. I feel that with the acquisition of YCO we have taken a huge step forward towards achieving this objective. We believe that the Group is now widely regarded as the largest full-service provider to the world's privately owned super yacht fleet.

Our industry continues to grow with more, bigger, and better super yachts being launched monthly across the world. I feel that the Group is now perfectly placed to maximise the potential of this quickly expanding marketplace.

Laurence J Milton
Executive Chairman

Date

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Chief Executive Officer's Statement for the year ended 31 December 2007

I would like to take this opportunity to provide my first Group update on trading for the current financial year for the five months to 31st May.

Trading Update

Yacht Fuel Services Limited ("YFS"), our core super-yacht fuelling division, has had the best start to a year since records began twenty years ago. The high oil price has not deterred our customers and we have continued to grow the business in what has historically been the quietest time of the year. When compared to the first five months of last year, tonnage is up by 10% and fuel sales revenue up 40% due primarily to the high oil prices. As such, the YFS business continues to grow and we maintain our position as the largest supplier of fuel to privately owned super-yachts.

Meanwhile, Yacht Help Group ("YHG"), our super-yacht provisioning division, is now beginning to see the benefit of having a second office in Barcelona. In less than a year, we have managed to build an excellent operation in Barcelona that complements YHG's existing presence in Palma. As a result, YHG's turnover for the first five months of this year is up 70% to that of the same period for last year and, more significantly, overheads have been much reduced in its operation.

Furthermore, now that the acquisition of YCO has completed, it is our intention to roll out the YHG operation into three other countries this year so as to provide additional support and services to YCO's "yachts under management" clients as well as to other customers wishing to use the YHG service.

The precedent of cross-fertilising the YCO and YHG operations has already been successful as seen with a YCO Crew team - responsible for super-yacht crew recruitment - being successfully established in YHG's offices in Palma. Again, it is our intention to establish YCO Crew teams in all the YHG offices that are in existence as well as the new ones that we plan to open in the future.

Staying with our existing operations in the Balearics, I can also report that B A Yachts (BAY) has moved its offices into those of YHG's in Palma. Beatriz Alonso is now responsible for both operations and we are very happy with how this is progressing. BAY plays an important niche role for super yachts because of the tax and duties it is able to recover for yachts that are wintering in Palma whilst minor repair are being undertaken. The combination of YHG and BAY is an exceptionally strong business proposition that has very few competitors in Palma, and we expect the benefits of bringing the two businesses together will bear fruit in the second half of the year.

The significant feature for 2008 will be the impact that YCO can bring to the Company. The 2007 accounts for YCO show an unaudited profit before tax of £1.7m and we are looking in 2008 for a good improvement in this number.

The YCO business is split into five main areas and I can report as follows on them for the first five months of 2008:

- **Charter:** the number of yachts for which YCO acts as the central agent has risen by 60% and the total revenues generated from charters has more than doubled with a 104% increase when compared to the first five months of 2007.
- **New construction:** YCO currently has 9 yachts between 40 meters and 135 meters under construction; this is double the amount for the same period last year.
- **Yachts under management:** this is a very important part of the YCO business model because it delivers monthly recurring revenue. YCO presently has 65% more yachts under management than at the same time last year and has signed eight new management yachts since the beginning of 2008.
- **Sales:** In the first five months of 2008 YCO surpassed the total sales of 2007 selling six yachts.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Chief Executive Officer's Statement (Continued)
for the year ended 31 December 2007

- **YCO Crew:** this is the yacht crew recruitment side of the business and is going from strength to strength. Compared to the same period last year, there has been a 40% increase in the number of crew successfully placed on yachts.

In YCO we have acquired an exceptionally strong and complementary business. We are confident that we can integrate all the companies now in the Group so that they all provide a uniformly high and consistent level of service as the reputation of all of the companies within the Group is based on that of delivering excellence. We aim to provide a world class service each and every time and that is why we believe more and more super-yacht owners are now using us. In summary, whilst the YCO acquisition made a significant demand on management's time and took eight months to conclude, I am delighted to say that we have still been able to successfully grow our business throughout this period.

We are all excited by the future and the challenges that are ahead of us. We firmly believe that we can continue to grow the business successfully and are proud of our position as the world's largest service provider to privately owned super-yachts.

Neil Miller
Chief Executive Officer

Date

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Report of the Directors for the year ended 31 December 2007

The directors present their report with the financial statements of the company and the Group for the year ended 31 December 2007.

PRINCIPAL ACTIVITY

The principal activity of the Group in the year under review was that of the supply of marine fuel and services to the world's super yachts.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The results for the year and financial position of the company and the Group are as shown in the annexed financial statements and noted In the Chairman's statement and CEO's statement.

KEY PERFORMANCE INDICATORS

The main highlights of our performance are noted below:
Turnover up by 28.9% to £16,633,307 (2006: £12,903,451).
Gross Profit up by 128% to £1,511,582 (2006: £661,592).
Fuel tonnage sold up by 12.8% to 30,861MT (2006: 27,366MT).

KEY RISKS AND UNCERTAINTIES

The directors are optimistic about the business development in 2008. However, this is dependent upon factors such as oil supply, volatility of the US\$ and Euro exchange rates and global economic stability. The exchange rate risk is partly mitigated by buying and selling in the same currency.

RESULTS AND DIVIDENDS

The profit for the year is £275,711, which has been transferred to reserves. No dividends will be distributed for the year ended 31 December 2007.

DIRECTORS

The following directors have held office since 1 January 2007:

L J Milton
N Miller
C A Smith
P Jay
P Shea (Appointed 18 January 2008)
C Birkett (Appointed 27 May 2008)
G Wright (Appointed 27 May 2008)

All the directors who are eligible offer themselves for re-election at the forthcoming Annual General Meeting.

The beneficial interests of the directors holding office on 31 December 2007 in the issued share capital of the company were as follows:

	31.12.07		01.01.07	
	No of Ordinary shares of 0.05p each	Percentage of issued share capital	No of Ordinary shares of 0.05p each	Percentage of issued share capital
L J Milton	47,500,000	31%	47,500,000	36%
N Miller	47,500,000	31%	47,500,000	36%
C A Smith	-	-	-	-
P Jay	-	-	-	-
P Shea	-	-	-	-
C Birkett	-	-	-	-
G Wright	-	-	-	-

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Report of the Directors (continued...) for the year ended 31 December 2007

SUBSTANTIAL SHAREHOLDERS

As at 17 June 2008, the Company has been notified of the following interests in the issued share capital of the Company:

	No of Ordinary shares of 0.35p each **	Percentage of issued share capital
State Street Nominees Limited	10,209,440	21.30%
London Wall Nominees Limited *	9,641,652	20.11%
N Miller	6,785,714	14.16%
LJ Milton	6,785,714	14.16%
Pastor Jean-Victor-Jean-Baptiste	4,081,633	8.52%
The Bank of New York (Nominees) Limited	1,533,956	3.20%

* Charles Birkett's interest in 3,213,884 Ordinary Shares is held through Geminico Limited B.V.I. and Gary Wright's interest in 3,213,884 Ordinary Shares is held through Trafalgar Group Holdings Limited.

** On 27 May 2008, the issued share capital of the Company being 150,895,806 ordinary shares of 0.05p each was consolidated so that every seven shares of 0.05p each held by a shareholder became one ordinary share of 0.35p having all the rights attaching to the ordinary shares as set out in the articles of association.

COMPANY'S POLICY ON PAYMENT OF PAYABLES

It is the company's normal practice to make payments to suppliers in accordance with agreed terms provided that the supplier has performed in accordance with the relevant terms and conditions. The payables days increased by 9 days to 44 (2006: 35) days in the year under review.

PUBLICATION OF ACCOUNTS ON COMPANY WEBSITE

Financial statements are published on the company's website. The maintenance and integrity of the website is the responsibility of the directors. The directors' responsibility also extends to the financial statements contained therein.

INDEMNITY OF OFFICERS

The Group may purchase and maintain, for any director or officer, insurance against any liability and the Group does maintain appropriate insurance cover against legal action brought against its directors and officers.

FINANCIAL INSTRUMENTS

The Group does not have formal policies on interest rate risk or foreign currency risk. The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than pound sterling (£). The Group maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs.

The Group does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency, given the nature of the business for the time being.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

**Report of the Directors (continued...)
for the year ended 31 December 2007**

POST BALANCE SHEET EVENTS

On 27 May 2008, the Company successfully completed the acquisition of YCO S.A.M. for a total purchase consideration of €15m (£13m) satisfied by issue of new shares and cash. YCO S.A.M is involved in super yacht sale, purchase, charter, management, and crew recruitment based in Monaco.

GOING CONCERN

After making appropriate enquiries, the directors consider that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 International Financial Reporting Standards (IFRS) as adopted for use in the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the company and the Group and of the profit or loss of the Group for that Year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.
- to follow IFRS as adopted by the European Union

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the Group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

AUDITORS

The auditors, Jeffreys Henry LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985 in the Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
C A Smith - Director

Date:

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Corporate Governance Report for the year ended 31 December 2007

The Directors recognise the importance of sound corporate governance to commensurate with The Group's size and the interests of shareholders. As the Group grows, policies and procedures that reflect the Principles of Good Governance and Code of Best Practice as published by the Committee on Corporate Governance (commonly known as the "Combined Code") will be developed. So far as is practicable and appropriate, taking into account the size and nature of the Company, the Directors will take steps to comply with the Combined Code.

The Board of Directors

The Board comprises of five Executive Directors and two Non-Executive Directors. All the Directors served throughout the year with the exception of P Shea who was appointed on 18 January 2008, C Birkett and G Wright who were appointed on 27 May 2008. The Directors' biographies are set out on page 11 and demonstrate a range of relevant experience.

The Board meets at least four times a year as issues arise which require Board attention. The Board has a formal schedule of matters specially referred to it for decision. The Directors are responsible for the management structure and appointments, considering strategic and policy, approval of major capital investments and transactions, and responsible for significant financing matters.

The Board has established an Audit Committee and a Remuneration Committee which roles and responsibilities are discussed below.

Audit Committee

An Audit Committee has been established and currently comprises of P Shea as the chairman and P Jay as a member, who both have considerable and relevant financial experience.

The Audit Committee, which has Terms of Reference agreed by the Board meets at least twice a year and is responsible for ensuring that the integrity of the financial information reported to the shareholders and the systems of internal controls. This committee provides an opportunity for reporting by the Company's auditors.

The Audit Committee is responsible for monitoring in discussion with the auditors the integrity of the financial statements and announcements of the Company; reviewing the Company's internal financial controls and risk management systems; reviewing and monitoring the external auditor's independence, objectivity and effectiveness of the audit process taking into consideration relevant UK and other relevant professional and regulatory requirements. The Audit Committee is also responsible for making recommendations to the Board to be put to shareholders for their approval in general meeting in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor. Other responsibilities include reviewing the Company's internal audit function, and where there is no internal audit function and considering annually whether there is a need for an internal audit function and making recommendation to the Board, and to review arrangements by which the staff of the Group will be able to raise concerns about possible improprieties in matters of financial reporting or other matters related to the Group.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Corporate Governance Report (continued)
for the year ended 31 December 2007

Remuneration Committee

The Remuneration Committee, which meets at least twice a year, consists of P Jay and P Shea. Based on the Terms of Reference approved by the Board, the Remuneration Committee is responsible for determining and agreeing with the Board the framework or broad policy for the remuneration of the Chief Executive Officer, the Chairman and other members as it is designated to consider. It is also responsible for setting the remuneration for all Executive Directors, the Chairman and the Company Secretary; to recommend and monitor the level and structure of remuneration for senior management; and determining targets for any performance-related pay schemes operated by the Group. The Remuneration Committee is also responsible for determining the policy and scope of pension arrangements for each Executive Director and for ensuring that contractual terms on termination and any payments made are fair to the individual and the Company. The Remuneration Committee will determine the terms and conditions of service of Executive Directors. This includes, agreeing the policy for authorising claims for expenses from the Chief Executive Officer and the Chairman, and within the terms of the agreed policy, recommending the total individual remuneration package of each Executive Director including, where appropriate bonuses, incentive payments and share options.

Relations with shareholders

Communications with shareholders are very important and therefore are given a priority. The Company maintains a website www.ycodeuxmil.com for the purpose of improving information flow to shareholders as well as potential investors. It contains the information about the Company's activities and the interim report. Shareholders are welcomed to ask any enquiries on the matter relating the business and their shareholdings. The Company encourages the shareholders to attend the Annual Meeting, which they will be given the opportunity to put questions to the Chairman and other members of the Board.

Internal financial control

The Board is responsible for establishing and maintaining the Company's system of internal controls and for reviewing its effectiveness. They are designated to safeguard the assets of the Company and to ensure the reliability of the financial information for both internal use and external publication. The controls that include inter alia financial, operational and compliance matters and management are reviewed on an ongoing basis. A system of internal control can provide only reasonable, and not absolute, assurance that material financial irregularities will be detected of that risk of failure to achieve business objectives is eliminated. The Board has considered the need for an internal audit function but because of the size and nature of its operations does not consider it necessary at the current time.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Profile of Directors for the year ended 31 December 2007

Laurence Joseph Milton (Aged 57), Executive Chairman

Laurence Milton trained as an accountant, spending 11 years in the profession before joining Olivetti as a salesman, selling computer products to accounting firms. In 1983 he set up Management Information Centre Limited ("MICL ") to service the IT needs of accountants, subsequently securing funding from 3i and growing the business to a client base of some 1500 firms. MICL was sold to an Australian competitor for £6.75 million in 2000.

Laurence was appointed Executive Chairman of the company on 30 August 2006.

Neil Miller (Aged 49), Chief Executive Officer

Neil Miller instigated and developed the Wendy Restaurant franchise in the UK and Europe. He then moved into financial services and emerging markets bond trading, becoming one of the largest independent traders specialising in African debt. From 1995 to the present day he has acted as a consultant to smaller companies seeking a quotation on public markets.

Neil was appointed Chief Executive Officer of the company on 30 August 2006.

Charles Alan Smith, ACA (Aged 53), Finance Director

Charles Smith qualified as a chartered accountant and then joined the firm of Scodie Deyong, becoming a full partner in 1981. In 1995 he left to become Group financial director and then international financial director of Holiday Autos Group ("HAG "), a car rental broking business, where turnover grew from £29 million to £200 million in 2004. He stepped down from this position in 2000, changing his role to that of financial consultant to HAG. In this consultancy role he was primarily responsible for the preparation of HAG for sale in April 2003 to Lastminute.com plc for £40 million.

Charles was appointed Finance Director of the company on 30 August 2006.

Peter Jay (Aged 63), Non-Executive Director

Peter Jay is a solicitor and a consultant to Beachcroft LLP. He specialises in corporate finance and acts for a number of AIM companies. He has extensive experience of advising both public and private companies and has held a number of directorships including Sportingbet Plc (where he was a founding director) and Top Ten Holdings Plc.

Peter was appointed Non-Executive Director of the company on 30 August 2006.

Peter Daniel Shea (Aged 55), Non-Executive Director

Peter Shea is currently chairman and one of the founding members of Daniel Stewart & Company, which he set up in 1989. Previously, he was a director at Bear Stearns International (from 1986 to 1989), where he was responsible for establishing Bear Stearns ' London corporate finance and capital markets divisions. Prior to Bear Stearns, He was a vice president at Midland Bank, where his primary responsibilities were co-coordinating the corporate and merchant banking services to US corporations in Europe. He also spent 10 years at Chase Manhattan Bank where he was responsible for, amongst other things, developing country loans and both the chemical and aerospace sectors at various times.

Peter was appointed Non-Executive Director of the company on 17 January 2008.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Profile of Directors (Continued...)
for the year ended 31 December 2007

Charles Nicholas Keith Birkett (Aged 32), Executive Director

Charles Birkett has crewed, captained, purchased, sold and managed Super Yachts for the past fifteen years. He first captained a yacht in 1992, cruising the west coast of America and has since been involved in a range of aspects associated with Super Yachts ranging from tender design and construction to shore side logistics. Before joining YCO, Charles was involved in fleet, yacht, berth and new project management with a Monaco based Yacht management company.

Charles was appointed Executive Director of the company on 27 May 2008.

Gary Wright (Aged 49), Executive Director

Gary Wright has a strong maritime background stretching back well over 25 years. His experience includes that of master, project co-ordinator and project manager on a number of Super Yachts. In 2001, Gary was appointed chief executive officer for the 31st Americas Cup, with overall responsibility for every aspect of the US/Seattle based challenge over the following three years until the race in 2003.

Gary was appointed Executive Director of the company on 27 May 2008.

**Report of the Independent Auditors to the Shareholders of
YCO Deuxmil Plc (formerly Deuxmil Marine Plc)**

We have audited the financial statements of YCO Deuxmil Marine Plc (formerly Deuxmil Marine Plc) for the year ended 31 December 2007, which comprise the consolidated income statement, consolidated statement of changes in equity, consolidated balance sheet, consolidated cash flows and the related notes on pages 24 to 53. 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 law and International Financial Reporting Standards as adopted for use in the European Union are set out on page eight.

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 and as regard group financial statements, Article 4 of the IAS Regulation. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements. The information given in the Director's report includes that specific information mentioned in the Chairman's statement and Chief Executive's statement that is cross referred from the Review of the Business and future Developments sections of the Directors' report.

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 other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Directors' Report, the Chairman's Statement, Corporate Governance Statement and Chief Executive Officer's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 judgements 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.

**Report of the Independent Auditors to the Shareholders of
YCO Deuxmil Plc (formerly Deuxmil Marine Plc)**

Opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted for use in the European Union, of the state of affairs of the Company and the Group as at 31 December 2007 and of its profit and cash flows of the Group for the year then ended;
- the parent company financial statements give a true and fair view, in accordance with IFRS's as adopted by the European Union as applied in accordance with provisions of the Companies Act 1985, of the state of the parent company's affairs as at 31 December 2007;
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and, as regard the group financial statements, article 4 of the IAS regulation; and
- the information given in the Report of the Directors is consistent with the financial statements.

**Jeffreys Henry LLP
Chartered Accountants and Registered Auditors**

Finsgate
5-7 Cranwood Street
London
EC1V 9EE

Date:

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Consolidated Income Statement
for the year ended 31 December 2007

	Notes	2007 £	2006 £
Revenue		16,633,307	12,903,451
Cost of sales		(15,121,725)	(12,241,859)
		<hr/>	<hr/>
GROSS PROFIT		1,511,582	661,592
Administrative expenses		(1,098,249)	(465,138)
OPERATING PROFIT	5	413,333	196,454
Finance costs	4	(3,658)	(41,667)
Finance income	4	174	3,705
		<hr/>	<hr/>
PROFIT BEFORE TAX		409,849	158,492
Tax expense	6	(134,138)	(35,665)
		<hr/>	<hr/>
PROFIT FOR THE YEAR		275,711	122,827
		<hr/>	<hr/>
Attributable to:			
Equity holders of the company		275,711	122,827
		<hr/>	<hr/>
Earnings per share expressed in pence per share:	8		
Basic (pence)		0.19	0.11
		<hr/>	<hr/>
Diluted (pence)		0.19	0.11
		<hr/>	<hr/>
Proforma earnings per share after share consolidation:			
Basic (pence)	8	1.33	1.33
		<hr/>	<hr/>

The notes form part of these financial statements

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Consolidated Income Statement (Continued)
for the year ended 31 December 2007

Included above are the profit or (loss) of subsidiaries since the date of acquisition:

	2007
	£
Subsidiary	
Yacht Help Group (Mallorca) S.L.	11,292
Yacht Help Group Gibraltar Limited	(4,201)
BA Yachts Assistance S.L.	49,761

Below are the combined revenues and profit of the enlarged Group from 1 January 2007 to 31 December 2007:

	2007
	£
Revenue	18,264,133
Profit for the year	363,588

The notes form part of these financial statements

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Consolidated Statement of Changes in Equity
for the year ended 31 December 2007

	Share Capital £	Share Premium £	Retained Earnings £	Other Reserves £	Total £
As at 1 January 2006	50,000	-	23,330	-	73,330
Shares issued	16,667	1,072,813	-	-	1,089,480
Profit after tax for the year	-	-	122,827	-	122,827
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2006	66,667	1,072,813	146,157	-	1,285,637
Shares issued	8,781	975,143	-	-	983,924
Profit after tax for the year	-	-	275,711	-	275,711
Equity to be issued	-	-	-	133,333	133,333
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2007	75,448	2,047,956	421,868	133,333	2,678,605

Share capital is the amount subscribed for share at nominal value.

Retained profit represents the cumulative profit of the Company attributable to equity shareholders.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses. Share issue expenses in the year comprise a proportion of the costs incurred in respect of the initial public offering and issue of new shares on the London Stock Exchange's Alternative Investment Market.

Other reserves represents the deferred share consideration in relation to the acquisition of BA Yachts Assistance S.L.

The notes form part of these financial statements

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Consolidated Balance Sheet
31 December 2007

	Notes	2007 £	2006 £
ASSETS			
NON-CURRENT ASSETS			
Goodwill	9	2,784,822	1,794,265
Intangibles	10	20,952	-
Property, plant and equipment	11	201,634	2,874
		<hr/>	<hr/>
		3,007,408	1,797,139
 CURRENT ASSETS			
Inventories	13	17,942	-
Trade and other receivables	14	1,080,863	748,724
Cash and cash equivalents	15	849,126	363,911
		<hr/>	<hr/>
		1,947,931	1,112,635
 LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	16	2,054,747	1,588,717
Financial liabilities – borrowings			
Interest bearing loans and borrowings	17	90,278	-
Tax payable		122,076	35,420
		<hr/>	<hr/>
		2,267,101	1,624,137
NET CURRENT LIABILITIES		<hr/>	<hr/>
		(319,170)	(511,502)
 NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	17	9,633	-
		<hr/>	<hr/>
NET ASSETS		<hr/>	<hr/>
		2,678,605	1,285,637
 EQUITY AND RESERVES			
Called up share capital	19	75,448	66,667
Share premium	20	2,047,956	1,072,813
Retained earnings	20	421,868	146,157
Other reserves	20	133,333	-
		<hr/>	<hr/>
		2,678,605	1,285,637
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Board of Directors on June 2008 and were signed on its behalf by:

.....
C A Smith - Director

The notes form part of these financial statements

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Company Balance Sheet
31 December 2007

	Notes	2007 £	2006 £
ASSETS			
NON-CURRENT ASSETS			
Fixed asset investments	12	3,228,218	2,307,054
Property, plant and equipment	11	110,739	-
		<hr/>	<hr/>
		3,338,957	2,307,054
		<hr/>	<hr/>
CURRENT ASSETS			
Trade and other receivables	14	182,938	17,779
Cash and cash equivalents	15	-	6,170
		<hr/>	<hr/>
		182,938	23,949
		<hr/>	<hr/>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	16	1,257,784	1,185,349
Financial liabilities – borrowings			
Interest bearing loans and borrowings	17	66	-
		<hr/>	<hr/>
		1,257,850	1,185,349
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(1,074,912)	(1,161,400)
		<hr/>	<hr/>
NET ASSETS		2,264,045	1,145,654
		<hr/>	<hr/>
EQUITY AND RESERVES			
Called up share capital	19	75,448	66,667
Share premium	20	2,047,956	1,072,813
Other reserves	20	133,333	-
Retained earnings	20	7,308	6,174
		<hr/>	<hr/>
Total shareholders' equity		2,264,045	1,145,654
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Board of Directors on June 2008 and were signed on its behalf by:

.....
C A Smith - Director

The notes form part of these financial statements

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Consolidated Cash Flow Statement
for the year ended 31 December 2007

	Notes	2007 £	2006 £
Cash flows from operating activities			
Cash generated from operations	1	553,875	137,543
Finance costs		(3,658)	(41,667)
Corporation tax paid		(35,419)	(49,662)
Net cash from operating activities		<u>514,798</u>	<u>46,214</u>
Cash flows from investing activities			
Purchase of intangibles		(6,415)	-
Purchase of plant and equipment		(117,781)	-
Acquisition of subsidiaries		(439,576)	-
- net cash acquired		153,102	-
Interest received		171	3,705
Net cash from investing activities		<u>(410,499)</u>	<u>3,705</u>
Cash flows from financing activities			
Loan repaid to related parties		(297,668)	(222,953)
Issue of new shares		683,581	1,089,480
Bank loan repaid		(5,063)	(768,125)
Net cash from financing activities		<u>380,850</u>	<u>98,402</u>
Increase in cash and cash equivalents		485,149	148,321
Cash and cash equivalents at beginning of year		<u>363,911</u>	<u>215,590</u>
Cash and cash equivalents at end of year		<u><u>849,060</u></u>	<u><u>363,911</u></u>
Represented by:			
Cash at bank		849,126	363,911
Bank overdraft		(66)	-
		<u>849,060</u>	<u>363,911</u>

The notes form part of these financial statements

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Group Cash Flow Statement
for the year ended 31 December 2007

1 **RECONCILIATION OF OPERATING PROFIT TO CASH GENERATED FROM OPERATIONS**

	2007	2006
	£	£
Operating profit for the year	413,333	196,454
Adjustments for:		
Depreciation of property, plant and equipment	31,691	958
Amortisation of intangibles	2,066	-
	<hr/>	<hr/>
Operating cash flows before movements in working capital	447,090	197,412
(Increase) in inventories	(17,944)	-
(Increase) in receivables	(332,139)	(26,844)
(Decrease)/Increase in payables	456,868	(33,025)
	<hr/>	<hr/>
Cash generated from operations	553,875	137,543
	<hr/> <hr/>	<hr/> <hr/>

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Company Cash Flow Statement
for the Year Ended 31 December 2007

	Notes	2007 £	2006 £
Cash generated from operations	1	18,274	(41,880)
Finance costs		-	(39,045)
Net cash from operating activities		<u>18,274</u>	<u>(80,925)</u>
Cash flows from investing activities			
Purchase of plant and equipment		(117,781)	-
Acquisition of subsidiaries		(439,576)	-
Interest received		26	1,249
Net cash from investing activities		<u>(557,331)</u>	<u>1,249</u>
Cash flows from financing activities			
Loan received/(repaid) from related party		(297,668)	(222,953)
Issue of new shares		683,581	1,089,480
Inter company loan repaid		146,908	(768,125)
Net cash from financing activities		<u>532,821</u>	<u>98,402</u>
Increase/(Decrease) in cash and cash equivalents		(6,236)	18,726
Cash and cash equivalents at beginning of year		6,170	(12,556)
Cash and cash equivalents at end of year		<u>(66)</u>	<u>6,170</u>
Represented by:			
Cash at bank		-	6,170
Bank overdraft		(66)	-
		<u>(66)</u>	<u>6,170</u>

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Company Cash Flow Statement
for the Year Ended 31 December 2007

1 **RECONCILIATION OF OPERATING PROFIT TO CASH GENERATED FROM OPERATIONS**

	2007	2006
	£	£
Operating profit for the year	1,108	40,016
Adjustments for:		
Depreciation of property, plant and equipment	7,042	-
	<hr/>	<hr/>
Operating cash flows before movements in working capital	8,150	40,016
Decrease in receivables	7,902	16,886
(Decrease)/Increase in payables	2,222	(98,782)
	<hr/>	<hr/>
Cash generated from operations	18,274	(41,880)
	<hr/> <hr/>	<hr/> <hr/>

Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements for the Year Ended 31 December 2007

GENERAL INFORMATION

YCO Deuxmil Plc (formerly Deuxmil Marine Plc) is a company incorporated in England and Wales and quoted on the Alternative Investment Market of the London Stock Exchange. The address of the registered office is disclosed on page 1 of the financial statements. The principal activity of the Group is described on page 6. The Company changed to its present name on 27 May 2008 upon the successful acquisition of YCO S.A.M.

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations issued by the International Accounting Standards Board (IASB) as adopted by the European Union and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The Group's financial statements were prepared in accordance with United Kingdom Generally Accepted Accounting Principles (GAAP) until 31 December 2006. UK GAAP differs in some areas from IFRS. In preparing the Group and Company financial statements, management has considered certain accounting, valuation and consolidation methods applied in the UK GAAP financial statements to comply with IFRS. The comparative figures in respect of 2006 were restated to reflect these adjustments, except as described in the accounting policies. Reconciliations and descriptions of the effect of the transition from GAAP to IFRS on the Group's equity and its net income and cash flows are provided in Note 27.

(a) Standards, amendment and interpretations effective in 2007

IFRS 7, 'Financial instruments: Disclosures', and the complementary amendment to IAS 1, 'Presentation of financial statements – Capital disclosures', introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Group's financial instruments, or the disclosures relating to taxation, trade and other payables.

IFRIC 8, 'Scope of IFRS 2', requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issued in order to establish whether or not they fall within the scope of IFRS 2. This standard does not have any impact on the Group's financial statements.

IFRIC 10, 'Interim financial reporting and impairment', prohibits the impairment losses recognized in an interim Year on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This standard does not have any impact on the Group's financial statements.

(b) Standards, amendment and interpretations effective in 2006

IFRS 1 (Amendment), First Time Adoption of International Financial Reporting Standards;
IAS 21 (Amendment), Net Investment in a Foreign Operation;
IAS 39 (Amendment), Cash Flow Hedge Accounting of Forecast Intercompany transactions;
IAS 39 (Amendment), The Fair Value Option; and
IAS 39 and IFRS 4 (Amendment), Financial Guarantee Contracts;

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the Year Ended 31 December 2007

1. ACCOUNTING POLICIES (Continued)

Basis of preparation (continued)

- (c) Standards, amendments and interpretations effective in 2006 but not relevant

The following standards, amendments and interpretations are mandatory for accounting Years beginning on or after 1 January 2006 but are not relevant to the Group's operations: IFRS 6 (Amendment), Exploration for and Evaluation of Mineral Resources; IFRS 6, Exploration for and Evaluation of Mineral Resources; IFRIC 4, Determining whether an Arrangement contains a Lease; IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds; and IFRIC 6, Liabilities arising from Participating in a Specific Market waste Electrical and Electronic Equipment;

- (d) Standards, amendments and interpretations effective in 2007 but not relevant

The following standards, amendments and interpretations to published standards are mandatory for accounting Years beginning on or after 1 January 2007 but they are not relevant to the Group's operations:

IFRS 4, 'Insurance contracts';
IFRIC 7, 'Applying the restatement approach under IAS 29, Financial reporting in hyper-inflationary economies';
IFRIC 9, 'Re-assessment of embedded derivatives', and
IFRIC 11, 'IFRS 2 – Group and treasury share transactions'

- (e) Interpretations to existing standards that are not yet effective and have not been adopted early by the Group.

The following interpretations to existing standards have been published and are mandatory for the Group's accounting years beginning on or after 1 January 2008 or later years but the Group has not adopted them:

IFRS 8, 'Operating segments' (effective from 1 January 2009). IFRS 8 replaces IAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply IFRS 8 from 1 January 2009. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. As goodwill is allocated to Groups of cash-generating units based on segment level, the change will also require management to reallocate goodwill to the newly identified operating segments. Management does not anticipate that this will result in any material impairment to the goodwill balance.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the Year Ended 31 December 2007

1. ACCOUNTING POLICIES (CONTINUED)

Basis of preparation (continued)

- (f) Interpretations to existing standards that are not yet effective and not relevant for the Group's operations

The following interpretations to existing standards have been published and are mandatory for the Group's accounting Years beginning on or after 1 January 2008 or later years but are not relevant for the Group's operations:

IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009). It requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial Year of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. IAS 23 (Amended) is not relevant to the Group as there are no qualifying assets.

IFRIC 12, 'Service concession arrangements' (effective from 1 January 2008). IFRIC 12 applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. IFRIC 12 is not relevant to the Group's operations because the Group does not provide for public sector services.

IFRIC 13, 'Customer loyalty programmes' (effective from 1 July 2008). IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement in using fair values. IFRIC 13 is not relevant to the Group's operations because the Group does not operate any loyalty programmes.

IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction' (effective from 1 January 2008). IFRIC 14 provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum-funding requirement. IFRIC 14 is not relevant to the Group, as it does not have pension scheme in place.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the Year Ended 31 December 2007

1. ACCOUNTING POLICIES (CONTINUED)

Consolidation

Subsidiaries

Subsidiaries are all entities over which YCO Deuxmil Plc (formerly Deuxmil Marine Plc) has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to YCO Deuxmil Plc (formerly Deuxmil Marine Plc). They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted the Group.

Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill on acquisitions of associates is included in 'investments in associates' and is tested for impairment as part of the overall balance. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group allocates goodwill to each business segment in each country in which it operates.

(b) Trademarks and licences

Acquired trademarks and licences are shown at historical cost. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives.

Licenses	20% on cost
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YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the Year Ended 31 December 2007

1. ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Property, plant and equipment

Tangible non-current assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial Year in which they are incurred. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, fittings and equipment	- 5% - 35% on cost
Motor vehicles	- 16% - 25% on cost

The asset's residual values and useful economic lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable value.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses) or gains in the income statement. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the Year Ended 31 December 2007

1. ACCOUNTING POLICIES (CONTINUED)

Functional currency translation

i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency), which is mainly Euros (€). The financial statements are presented in Pounds Sterling (£), which is the Group's presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the presentational currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

iii) Group companies

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differed from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The entity's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income 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.

Operating leases

Rental leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement.

Segment reporting

A business segment is a Group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials and other direct costs. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

1. ACCOUNTING POLICIES (CONTINUED)

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments is considered indicators that the trade receivable is impaired.

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the year of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Financial Instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Fair values

The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the Group at the balance sheet date approximated their fair values, due to relatively short term nature of these financial instruments.

The Company provides financial guarantees to licensed banks for credit facilities extended to a subsidiary company. The fair value of such financial guarantees is not expected to be significantly different as the probability of the subsidiary company defaulting on the credit lines is remote.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

1. ACCOUNTING POLICIES (CONTINUED)

Share-based compensation

The fair value of the employee and suppliers services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Critical accounting estimates and judgements

The preparation of consolidated financial statements requires the Group to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below:

(a) Impairment of goodwill

The Group is required to test, at least annually, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a suitable discount rate in order to calculate the present value of these cash flows. Actual outcomes could vary.

(b) Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is determined based on value in use calculations prepared on the basis of management's assumptions and estimates.

(c) Depreciation of property, plant and equipment

Depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out above. The selection of these residual values and estimated lives requires the exercise of management judgement.

Going concern

After making appropriate enquiries, the directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

2. SEGMENTAL ANALYSIS

The Group's primary segment is business segment and the secondary segment is geographical location. The business segment consist of marine fuel and support services as shown below:

Segment Results	Marine fuel 2007 £	Support Services 2007 £	Total 2007 £
Total	15,360,246	1,744,445	17,104,691
Inter company	(455,827)	(15,557)	(471,384)
Revenue	<u>14,904,419</u>	<u>1,728,888</u>	<u>16,633,307</u>
Operating profit before amortisation of acquisition related intangibles and share based payment charges	320,666	94,732	415,398
Amortisation of acquisition related intangibles	-	(2,066)	(2,066)
Operating profit	320,666	92,666	413,332
Net finance expense			(3,483)
Profit before taxation			<u>409,849</u>
Segment Assets			
Property, plant and equipment	2,815	198,819	201,634
Intangible assets	1,794,265	1,011,509	2,805,774
Other assets	1,699,043	248,888	1,947,931
	<u>3,496,123</u>	<u>1,459,216</u>	<u>4,955,339</u>
Segment Results	Marine fuel 2006 £	Support Services 2006 £	Total 2006 £
Total	12,903,451	-	12,903,451
Inter company	-	-	-
Revenue	<u>12,903,451</u>	<u>-</u>	<u>12,903,451</u>
Operating profit before amortisation of acquisition related intangibles and share based payment charges	196,454	-	196,454
Amortisation of acquisition related intangibles	-	-	-
Operating profit	196,454	-	196,454
Net finance expense			(37,962)
Profit before taxation			<u>158,492</u>
Segment Assets			
Property, plant and equipment	2,874	-	2,874
Intangible assets	1,794,265	-	1,794,265
Other assets	1,112,635	-	1,112,635
	<u>2,909,774</u>	<u>-</u>	<u>2,909,774</u>

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

2. SEGMENTAL ANALYSIS (Continued)

The geographical segment consists of Europe, Americas and the rest of the world.

	Europe 2007 £	Americas 2007 £	Rest of the world 2007 £	Total 2007 £
Revenue	11,416,760	4,471,326	745,221	16,633,307
Total assets	4,816,889	-	-	4,816,889
Capital Expenditure	117,781	-	-	117,781

	Europe 2006 £	Americas 2006 £	Rest of the world 2006 £	Total 2006 £
Revenue	8,387,243	3,871,035	645,173	12,903,451
Total assets	2,909,774	-	-	2,909,774
Capital Expenditure	-	-	-	-

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

3. EMPLOYEES AND DIRECTORS	2007	2006
	£	£
Wages and salaries	459,421	97,170
Social security costs	96,400	11,395
	<hr/>	<hr/>
	555,821	108,565
	<hr/>	<hr/>

The average monthly number of employees (including directors) during the year was as follows:

	2007	2006
	Number	Number
Directors	4	4
Operations	22	2
	<hr/>	<hr/>
	26	6
	<hr/>	<hr/>

	2007	2006
	£	£
Directors' emoluments	41,839	15,734
Directors benefits	6,763	6,029
	<hr/>	<hr/>
	48,602	21,763
	<hr/>	<hr/>

Peter Jay fees were invoiced by Beachcroft LLP totalling £9,500 and by Meze Ltd totalling £14,582. Included in the directors' emoluments are fees paid to CA Smith of £17,757.

4. NET FINANCE COSTS

	2007	2006
	£	£
Finance income:		
Deposit account interest	174	3,705
Finance costs:		
Bank interest	262	1,591
Bank loan interest	3,395	33,283
Other interest		6,793
	<hr/>	<hr/>
	3,657	41,667
	<hr/>	<hr/>
Net finance costs	3,483	37,962
	<hr/>	<hr/>

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

5. OPERATING PROFIT FOR THE YEAR

The operating profit for the year is stated after charging/(crediting):

	2007	2006
	£	£
Other operating leases	65,573	35,196
Depreciation - owned assets	31,691	958
Amortisation of intangibles	2,066	-
Auditors' remuneration (Company £15,000; 2006: £5,000)	22,000	12,350
Foreign exchange differences	(9,700)	25,459
	<u> </u>	<u> </u>

The analysis of administrative expenses in the consolidated income statement by nature of expense:

	2007	2006
	£	£
Employment costs	555,821	108,565
Depreciation and amortisation	33,457	958
Advertising costs	56,151	29,581
Travelling and entertaining	124,965	95,922
Establishment costs	81,376	35,583
Other expenses	246,479	194,529
	<u> </u>	<u> </u>
	<u>1,098,249</u>	<u>465,138</u>

6. INCOME TAX EXPENSE

The tax charge on the profit for the year was as follows:

	2007	2006
	£	£
Current tax:		
Corporation tax	109,025	35,670
Overseas Corporation tax	25,113	-
Prior year tax adjustment	-	(205)
	<u> </u>	<u> </u>
	134,138	35,465
Deferred tax	-	200
	<u> </u>	<u> </u>
Total	<u>134,138</u>	<u>35,665</u>
	<u> </u>	<u> </u>
Profit before tax	<u>409,849</u>	<u>158,492</u>

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

6. INCOME TAX EXPENSE (Continued)

	2007	2006
	£	£
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30% (2006 - 30%)	122,955	47,548
Effects of:		
Non deductible expenses	2,036	4,263
Depreciation add back	9,417	287
Capital allowance	(2,720)	(221)
Other tax adjustments	2,450	(16,412)
	11,183	(12,083)
Current tax charge	134,138	35,465

7. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £1,134 (2006 - £2,036).

8. EARNINGS PER SHARE

The calculation of earnings per ordinary share is based on earnings after tax and the weighted average number of ordinary shares in issue during the year. For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has two classes of dilutive potential ordinary shares being those share options granted to employees and suppliers where the exercise price is less than the average market price of the Group's ordinary shares during the year and the shares to be issued to satisfy the deferred consideration on the acquisition of a subsidiary.

Details of the adjusted earnings per share are set out below:

	2007	2006
	£	£
Basic EPS		
Earnings attributable to ordinary shareholders (£)	275,711	122,827
Weighted average number of shares	145,379,299	110,246,575
	0.19	0.11
Basic EPS (pence)	0.19	0.11
	2007	2006
	£	£
Diluted EPS		
Earnings attributable to ordinary shareholders (£)	275,711	122,827
Weighted average number of shares	146,379,299	110,893,607
	0.19	0.11
Diluted EPS (pence)	0.19	0.11

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

8. EARNINGS PER SHARE (Continued)

Detail of the proforma earnings per share after share consolidation is set out below:

	2007	2006
	£	£
Basic EPS		
Earnings attributable to ordinary shareholders (£)	275,711	122,827
Weighted average number of shares (0.35p per share)	20,911,328	15,841,944
	<hr/>	<hr/>
Basic EPS (pence)	1.33	0.77
	<hr/> <hr/>	<hr/> <hr/>

9. GOODWILL

Group

	£
COST	
At 1 January 2006	1,794,265
Additions	-
	<hr/>
At 31 December 2006	1,794,265
Additions	990,557
	<hr/>
At 31 December 2007	2,784,822
	<hr/>
CARRYING AMOUNT	
At 31 December 2007	2,784,822
At 31 December 2006	1,794,265
	<hr/> <hr/>

Goodwill additions in 2007 arose on the acquisition of Yacht Help Group (Mallorca) S.L., Yacht Help Group Gibraltar Limited and BA Yachts Assistance S.L.

The Company assesses at each reporting date whether there is an indication that the goodwill may be impaired, by considering the net present value of discounted cash flows forecasts. If an indication exists an impairment review is carried out. At the year end, there was no indication of impairment of the value of goodwill.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

9. GOODWILL (Continued)

The fair value of consideration and liability acquired for Yacht Help Group (Mallorca) S.L. is as follows:

	£
Investments	
Consideration -cash	100,000
Consideration – shares	300,000
Legal fees	49,681
Loan waived	(47,115)
	<hr/>
	402,566
	<hr/>
Fair value of net assets acquired	
Tangible assets	94,365
Inventories	17,279
Receivables	106,083
Cash and cash in hand	28,097
Payables	(272,445)
Deferred tax asset write down	(35,631)
Formation expense write-off	(11,068)
	<hr/>
Net liabilities	(73,320)
	<hr/>
Goodwill	475,886
	<hr/>

The fair value of consideration and asset acquired for BA Yachts Assistance S.L. is as follows:

	£
Investments	
Consideration -cash	239,579
Legal fees	11,672
Deferred consideration – cash	34,014
Deferred consideration – shares	133,333
	<hr/>
	418,598
	<hr/>
Fair value of net assets acquired	
Tangible assets	26,270
Receivables	592,815
Cash and cash in hand	50,546
Payables	(663,524)
	<hr/>
Net assets	6,107
	<hr/>
Goodwill	412,491
	<hr/>

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

9. GOODWILL (CONTINUED)

The fair value of consideration and asset acquired for Yacht Help Group Gibraltar Limited is as follows:

	£
Investments	
Consideration -cash	100,000
	<hr/>
Fair value of net assets acquired	
Receivables	7,420
Cash and cash in hand	74,459
Payables	(79,697)
	<hr/>
Net Liabilities	(2,182)
	<hr/>
Goodwill	102,182
	<hr/> <hr/>

10. INTANGIBLES
Group

	Totals
	£
COST	
At 1 January 2006 and 31 December 2006	-
Additions	23,018
Disposals	-
	<hr/>
At 31 December 2007	23,018
	<hr/>
AMORTISATION	
At 1 January 2006 and 31 December 2006	-
Amortisation for the year	2,066
Eliminated on disposal	-
	<hr/>
At 31 December 2007	2,066
	<hr/>
CARRYING VALUE	
At 31 December 2007	20,952
	<hr/> <hr/>
At 31 December 2006	-
	<hr/> <hr/>

The trademarks and patents relates to a license held by a Spanish subsidiary.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

11. PROPERTY, PLANT AND EQUIPMENT

Group	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 January 2006	38,991	-	38,991
Additions	-	-	-
At 31 December 2006	<u>38,991</u>	<u>-</u>	<u>38,991</u>
Additions	63,414	55,156	118,570
Acquisition of subsidiaries	43,040	68,841	111,881
At 31 December 2007	<u>145,445</u>	<u>123,997</u>	<u>269,442</u>
DEPRECIATION			
At 1 January 2006	35,159	-	35,159
Charge for the year	958	-	958
At 31 December 2006	<u>36,117</u>	<u>-</u>	<u>36,117</u>
Charge for the year	20,305	11,386	31,691
At 31 December 2007	<u>56,422</u>	<u>11,386</u>	<u>67,808</u>
CARRYING VALUE			
At 31 December 2007	89,023	112,611	201,634
At 31 December 2006	<u>2,874</u>	<u>-</u>	<u>2,874</u>
Company	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 January 2006 and 31 December 2006	-	-	-
Additions	62,625	55,156	117,781
At 31 December 2007	<u>62,625</u>	<u>55,156</u>	<u>117,781</u>
DEPRECIATION			
At 1 January 2006 and 31 December 2006	-	-	-
Charge for the year	2,504	4,538	7,042
At 31 December 2007	<u>2,504</u>	<u>4,538</u>	<u>7,042</u>
CARRYING VALUE			
At 31 December 2007	60,121	50,618	110,739
At 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements - continued
for the year ended 31 December 2007

12. FIXED ASSET INVESTMENTS

Company	Total £
COST	
At 1 January 2006	2,307,054
Additions	-
At 31 December 2006	2,307,054
Additions	921,164
At 31 December 2007	3,228,218
CARRYING AMOUNT	
At 31 December 2007	3,228,218
At 31 December 2006	2,307,054

In the opinion of the directors, the aggregate value of the Company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

The details of the subsidiaries are as set out below:

	Country of incorporation	Nature of business
Yacht Fuel Services Limited	UK	Supply of marine fuel and lubricants
Yacht Help Group (Mallorca) S.L.	Spain	Supply of goods and services to yachts
Yacht Help Group Gibraltar Ltd	Gibraltar	Supply of goods and services to yachts
BA Yachts Assistance S.L.	Spain	Supply of goods and services to yachts

The Company acquired the whole issued share capital of Yacht Fuel Services Limited in 2005 for a total consideration of £2,307,054.

The Company acquired the whole issued share capital of Yacht Help Group (Mallorca) S.L. on 30 April 2007 for a total consideration of £400,000, satisfied by £100,000 in cash and £300,000 in shares.

The Company acquired the whole issued share capital of Yacht Help Group Gibraltar Limited on 30 April 2007 for a total cash consideration of £100,000.

The Company acquired the whole issued share capital of BA Yachts Assistance S.L. on 29 May 2007 for a total consideration of £418,598, satisfied by £251,251 in cash, £34,014 deferred consideration in cash and £133,333 deferred consideration in shares.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

12. FIXED ASSET INVESTMENTS (CONTINUED)

The results of the subsidiaries are as follows:

	2007	2006
	£	£
Yacht Fuel Services Limited		
Aggregate capital and reserves	884,568	652,773
Profit for the year	231,795	120,792
Yacht Help Group (Mallorca) S.L.		
Aggregate capital and reserves	(76,098)	-
Loss for the year	2,778	-
Yacht Help Group Gibraltar Limited		
Aggregate capital and reserves	1,979	-
Loss for the year	(4,201)	-
BA Yachts Assistance S.L.		
Aggregate capital and reserves	55,867	-
Profit for the year	49,761	-

Yacht Help Group Gibraltar Limited's profit for the Year is for 18 months from 1 July 2006 to 31 December 2007.

13. INVENTORIES

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Finished goods	17,942	-	-	-

The directors consider that the carrying amount of inventories is at fair value.

The cost of inventories recognised as expense and included in cost of sales amounted to £17,942 (2006 - £nil).

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Current:				
Trade receivables	991,069	665,224	-	-
Other receivables	55,432	9,625	-	-
Other taxes receivables	11,411	44,614	5,409	979
Prepayments	22,951	29,261	4,468	16,800
Amounts due from Group undertakings	-	-	173,061	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,080,863	748,724	182,938	17,779
	<hr/>	<hr/>	<hr/>	<hr/>

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

15. CASH AND CASH EQUIVALENTS

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Bank current account	821,152	363,911	-	6,170
Bank deposit account	20,000	-	-	-
Cash in hand	7,974	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	849,126	363,911	-	6,170
	<hr/>	<hr/>	<hr/>	<hr/>

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Current:				
Trade payables	1,821,000	1,186,406	30,168	46,144
Amounts owed to Group undertakings	-	-	1,143,526	809,659
Social security and other taxes	71,364	3,176	536	-
Accruals and deferred income	61,709	73,588	21,661	4,000
Amounts owed to related parties	91,368	325,547	61,893	325,547
Other payables	9,306	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,054,747	1,588,717	1,257,784	1,185,349
	<hr/>	<hr/>	<hr/>	<hr/>

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing expenses.

The directors consider that the carrying amount of trade and other payables approximates their fair value.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

17 FINANCIAL LIABILITIES - BORROWINGS

Maturity of the borrowings is as follows:

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Repayable within one year on demand				
Bank loans	51,689	-	-	-
Finance leases (see note 18)	38,523	-	-	-
Bank overdraft	66	-	66	-
	<u>90,278</u>	<u>-</u>	<u>66</u>	<u>-</u>
Repayable between one and five years:				
Finance leases (see note 18)	9,633	-	-	-
	<u>99,911</u>	<u>-</u>	<u>66</u>	<u>-</u>

Yacht Help Group (Mallorca) S.L drew a bank loan of £55,172 (€80,000) on 10 March 2005. The loan is for a period of twelve years. The loan is subject to interest rate of 5.75% per annum on the outstanding loan amount. The outstanding loan balance was subsequently paid post year end.

18. FINANCE LEASES

Group

Minimum lease payments under finance leases fall due as follows:

	2007	2006
	£	£
No later than one year	41,367	-
Later than one year but not more than five	10,520	-
	<u>51,887</u>	<u>-</u>
Future finance obligations	(3,730)	-
	<u>48,157</u>	<u>-</u>

Yacht Help Group (Mallorca) S.L finance lease is in respect of purchase of motor vehicles. The finance leases are to be repaid in full in May 2008. The interest rate is 8% per annum.

BA Yachts Assistance S.L. finance lease is in respect of a purchase of motor vehicle. The finance lease is for sixty months from 1 June 2006 to 1 May 2011. The interest rate is 12% per annum.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

19. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.12.07	31.12.06
			£	£
1,000,000,000	Ordinary	0.05p	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid:				
Number:	Class:	Nominal value:	31.12.07	31.12.06
			£	£
150,895,806/133,333,333	Ordinary	0.05p	<u>75,448</u>	<u>66,667</u>

On 23 April 2007, Deuxmil allotted 13,424,542 ordinary shares of 0.05p each at 5.5p per share.

On 30 April 2007, Deuxmil allotted 4,137,931 ordinary shares of 0.05p each at 7.25p per share.

On 27 May 2008, the issued share capital of the Company being 150,895,806 ordinary shares of 0.05p each was consolidated so that every seven shares of 0.05p each held by a shareholder became one ordinary share of 0.35p having all the rights attaching to the ordinary shares as set out in the articles of association, save that all residual holdings of less than seven ordinary shares held by a shareholder have not been consolidated as aforesaid but have been reclassified as deferred shares of 0.05p each having all the rights attaching to the deferred shares of 0.05p each as set out in the amended Articles of Association of the Company.

Also on 27 May 2008, the unissued share capital of the Company being 849,104,194 ordinary shares of 0.05p each was consolidated so that every seven shares of 0.05p each held by a shareholder became one ordinary share of 0.35p having all the rights attaching to the ordinary shares as set out in the articles of association, save that all residual holdings of less than seven ordinary shares held by a shareholder have not been consolidated as aforesaid but have been reclassified as deferred shares of 0.05p each having all the rights attaching to the deferred shares of 0.05p each as set out in the amended Articles of Association of the Company.

On 27 May 2008, the Company made share placement of 16,734,684 ordinary share of 0.35p each at 49p each.

On 27 May 2008, the Company issued 9,641,652 ordinary shares of 0.35p each at 49p, as part of the acquisition of YCO S.A.M.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements (Continued)
for the year ended 31 December 2007

20. RESERVES

Group	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 January 2006	23,330	-	-	23,330
Shares issued in the year	-	1,072,813	-	1,072,813
Profit for the year	122,827	-	-	122,827
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2006	146,157	1,072,813	-	1,218,970
Shares issued in the year	-	975,143	-	975,143
Profit for the year	275,711	-	-	275,711
Deferred equity to be issued	-	-	133,333	133,333
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	421,868	2,047,956	133,333	2,603,157
	<hr/>	<hr/>	<hr/>	<hr/>
Company	Retained earnings £	Share premium £	Other reserves £	Totals £
At 1 January 2006	4,138	-	-	4,138
Shares issued in the year	-	1,072,813	-	1,072,813
Profit for the year	2,036	-	-	2,036
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2006	6,174	1,072,813	-	1,078,987
Shares issued in the year	-	975,143	-	975,143
Profit for the year	1,134	-	-	1,134
Deferred equity to be issued	-	-	133,333	133,333
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2007	7,308	2,047,956	133,333	2,188,597
	<hr/>	<hr/>	<hr/>	<hr/>

YCO Deuxmil Marine Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements - continued
for the year ended 31 December 2007

21. RISK AND SENSITIVITY ANALYSIS

The Group's activities expose it to a variety of financial risks: interest rate risk, liquidity risk, foreign currency risk, capital risk and credit risk. The Group's activities also expose it to non-financial risks: market risk. The Group's overall risk management programme focuses on unpredictability and seeks to minimise the potential adverse effects on the Group's financial performance. The Board, on a regular basis, reviews key risks and, where appropriate, actions are taken to mitigate the key risks identified.

Interest rate and foreign currency risk

The Group does not have formal policies on interest rate risk or foreign currency risk. However, the Group's exposure in these areas (as at the balance sheet date) was minimal.

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than pound sterling (£). The Group maintains a natural hedge that minimises the foreign exchange exposure by matching foreign currency income with foreign currency costs.

The Group does not consider it necessary to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency, given the nature of the business for the time being.

The net unhedged financial assets and liabilities of the Group that are denominated in its functional currency are as follows:

Group	Financial Assets		Financial Liabilities	
	2007	2006	2007	2006
	£	£	£	£
Euro (€)	356,881	87,357	608,600	117,385
United States Dollars (US\$)	641,396	633,813	1,241,599	959,874
	<u>998,277</u>	<u>721,170</u>	<u>1,850,199</u>	<u>1,077,259</u>

Liquidity risk

The Group prepares periodic working capital forecasts for the foreseeable future, allowing an assessment of the cash requirements of the company, to manage liquidity risk. The directors have considered the risk posed by liquidity and are satisfied that there is sufficient growth and equity in the company.

Capital risk

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Market risk

The market may not grow as rapidly as anticipated. The Group may lose customers to its competitors. The Group's major competitors may have significantly greater financial resources than those available to the company. There is no certainty that the company will be able to achieve its projected levels of sales or profitability.

YCO Deuxmil Marine Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements - continued
for the year ended 31 December 2007

21. RISK AND SENSITIVITY ANALYSIS (continued)

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. The credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit-rating agencies. The Group's credit risk is primarily attributable to its trade. The amounts presented in the balance sheet are net of allowance for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experiences, is evidence of a reduction in the recoverability of the cash flows. The Group has no significant concentration of credit risk, with exposure spread over a large number of counter parties and customers.

22. FINANCIAL COMMITMENTS

Operating lease commitments

The Group leases office premises under a non-cancellable operating lease agreement, which contains various escalation clauses and renewal rights. The lease expenditure is charged to the income statement during the year as incurred. At the balance sheet date the Group was committed to payments under the operating lease agreement as follows:

	2007	2006
	£	£
Less than one year	51,727	38,500
Between one and five years	5,260	28,875
	<u>56,987</u>	<u>67,375</u>

Capital commitments

There was no capital expenditure contracted for at each of the balance sheet dates but not yet incurred.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements - continued
for the year ended 31 December 2007

23. RELATED PARTY TRANSACTIONS

The Company repaid loan advances by L J Milton and N Miller, who are directors of the Company.

	2007	2006
	£	£
Beachcroft LLP	-	65,330
LJ Milton	(167,206)	(82,752)
N Miller	(130,462)	(140,201)
	<u> </u>	<u> </u>

During the year, the company paid legal fees of £ 9,500 (2006: £65,330) to Beachcroft LLP, a firm in which P Jay, a director of the company, is a Partner.

All the above transactions with related parties were conducted at arms length

The following amounts were owed to related parties:

	2007	2006
	£	£
B Alonso	63,489	-
LJ Milton	24,292	191,498
N Miller	3,587	134,049
	<u> </u>	<u> </u>

At the year end, the Group owed B Alonso, a director of Yacht Help GM of £ 34,014 in respect of deferred consideration on the acquisition of BA Yachts, and £ 29,475 in respect of an advance given to BA Yachts.

During the year, the Company received management fee from Yacht Fuel Services Limited. It also (advanced) or received loan from fellow subsidiaries. The details are as follows:

	2007	2006
	£	£
Yacht Fuel Services Limited – Management fee	202,000	60,000
Yacht Fuel Services Limited	297,023	202,665
Yacht Help Group (Mallorca) S.L.	(158,061)	-
Yacht Help Group (Mallorca) S.L.	(15,000)	-
BA Yachts Assistance S.L.	36,844	-
	<u> </u>	<u> </u>

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements - continued
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23. RELATED PARTY TRANSACTIONS (Continued)

At 31 December 2007, the following amounts were due from or (owed to) subsidiary companies:

	2007	2006
	£	£
Yacht Fuel Services Limited	(1,106,682)	(809,659)
Yacht Help Group (Mallorca) S.L.	158,061	-
Yacht Help Group (Mallorca) S.L.	15,000	-
BA Yachts Assistance S.L.	(36,844)	-
	<u> </u>	<u> </u>

24. SHARE-BASED PAYMENTS

There is no charge for share-based payments as the fair values at the date of grant were below the exercise prices:

The details of the share options are as follows:

	2007		2006	
	Number of options	Weighted average exercise Price £	Number of options	Weighted average exercise Price £
Outstanding at the beginning of the year	4,333,333	0.05	-	-
Granted on 4 September 2006	-	-	4,333,333	0.05
Exercise	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance carried forward	4,333,333	0.05	4,333,333	0.05
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The fair values of the options granted have been calculated using Black-Scholes model assuming the inputs shown below:

Grant date	Sep 06
Share price at grant date	10p
Exercise price	5p
Option life in years	5 years
Risk free rate	5%
Expected volatility	10%
Expected dividend yield	0%
Fair value of option	<u> </u> <u> </u> 0p

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Notes to the Financial Statements - continued
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25. CONTINGENT LIABILITIES AND GUARANTEES

The Group has no contingent liabilities in respect of legal claims arising from the ordinary course of business and it is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for.

A debenture in favour of Coutts & Co created on 26 July 2005 and registered on 27 July 2005 to secure an overdraft facility granted by Coutts & Co to YFS on 25 July 2005. The debenture is a fixed and floating charge over the YFS's undertaking and all of its property and assets present and future including its goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery.

26. POST BALANCE SHEET EVENTS

A secured overdraft facility letter dated 3 January 2008 between the Group and HSBC in respect of an overdraft of £150,000. The facility is due for review in December 2008 and is being charged at an interest rate of 2% per annum above HSBC's sterling base rate, as published from time to time.

A debenture in favour of HSBC created on 11 January 2008 and registered on 18 January 2008 to secure the Company and YFS's obligations under the overdraft facility referred above. The debenture is a fixed and floating charge over the Company's undertaking and all of its property and assets present and future including its goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery.

A loan facility letter dated 3 January 2008 between the Company and HSBC Bank plc ("HSBC") under which HSBC agreed to loan the Company a term loan facility of £50,000 to assist the Company with the purchase of specialised refrigeration vehicles for the provision of supplies to super yachts. The loan is due for review in December 2008 and is being charged at an interest rate of 3.5% per annum above HSBC's sterling base rate, as published from time to time. The loan is to be repaid monthly at a rate of £1,590.27 inclusive of interest.

An unlimited corporate guarantee given by each of the Group companies in favour of HSBC given on 3 January 2008 to secure the Group's obligations under the loan facility referred to above.

On 2 May 2008, the Company entered into first warrant deed with WH Ireland Limited constituting 239,664 warrants. The principal terms of the warrant deed are:

- The warrants are exercisable at any time within three year period from 28 May 2008.
- The subscription price on exercise of the warrants is 49p per new ordinary share.
- The warrants are transferable.

On 2 May 2008, the Company entered into the second warrant deed with WH Ireland Limited constituting 239,664 warrants. The principal terms of the warrant deed are:

- The warrants are exercisable at any time within three year period from 28 May 2008.
- The subscription price on exercise of the warrants is 73.5p per new ordinary share.
- The warrants are transferable.

YCO Deuxmil Plc (formerly Deuxmil Marine Plc)

Notes to the Financial Statements - continued
for the year ended 31 December 2007

26. POST BALANCE SHEET EVENTS (Continued)

On 2 May 2008, the Company entered into the first options deed with Hichens, Harrison & Co. Plc constituting 239,664 options. The principal terms of the options deed are:

- The options are exercisable at any time within three year period from 28 May 2008.
- The exercise price of the option is 49p per new ordinary share.
- The warrants are transferable.

On 2 May 2008, the Company entered into the second options deed with Hichens, Harrison & Co. Plc constituting 239,664 options. The principal terms of the options deed are:

- The options are exercisable at any time within three year period from 28 May 2008.
- The exercise price of the options is 73.5p per new ordinary share.
- The warrants are transferable.

On 2 May 2008, the Company entered into Option Agreement with the directors. The principal terms of the options deed are:

- The options are exercisable at any time within five year period from 28 May 2008.
- The exercise price of the option is 49p per share.
- The warrants are transferable.

On 27 May 2008, the Company successfully completed the acquisition of YCO S.A.M. for a total consideration of €15 million satisfied by the issue of 9,641,652 new ordinary shares of 0.35p each in the Company worth €6 million and the remaining €9 million in cash.

On 27 May 2008, the Company had in issue share options over the following number of ordinary shares of 0.35p each:

	Number	Exercise price	End of exercise period
Daniel Stewart & Company	190,476	35p	13.09.2011
M Bishop	142,857	35p	13.09.2011
R Bourgeaud	285,714	35p	13.09.2011
N Miller	714,285	49p	27.05.2013
L Milton	714,285	49p	27.05.2013
CA Smith	108,035	49p	27.05.2013
Hichens, Harrison & co. Plc	479,328	49p	27.05.2016
	<u> </u>	<u> </u>	<u> </u>

On 12 May 2008, the Company, Yacht Help Group (Mallorca) S.L. ("YHGM") and P Edwards entered into a settlement agreement, whereby P Edwards will receive compensation from the termination of his employment with YHGM of €120,000. The first instalment of €80,000 to be paid by 31 May 2008 and the remaining €40,000 shall be paid within six months but no later than 30 November 2008. The compensation payment is guaranteed by the Company. The agreement also waived the non-competition clause per the service agreement entered between the Company and P Edwards on 26 April 2007. It also waived all the legal obligation and guarantee given by P Edwards on the bank loan and leasing agreements.

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Notes to the Financial Statements - continued
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27. EXPLANATION OF TRANSITION TO IFRS

There have been no adjustments or restatements to the reported financial position, financial performance and cash flows of the group and the Company resulting from the transition to IFRS from UK GAAP with effect from 1 January 2006.

28. ULTIMATE CONTROLLING PARTY

The Company is quoted on the Alternative Investment Market of the London Stock Exchange. At the date of the annual report in the Directors opinion there is no one controlling party. In total N Miller and L J Milton owned 64% of the share capital of the company as at 31 December 2007.

As at 17 June 2008, there is no one controlling party.