

# **NEPTUNE ENERGY LIMITED**

Registered Number: 5256962

## **Report and Financial Statements**

**for the year ended 31 March 2006**

FRIDAY



\*AY03SLD1\*

A02

15/12/2006

556

COMPANIES HOUSE

**NEPTUNE ENERGY LIMITED**REPORT OF THE DIRECTORS

The Directors present their report together with the audited accounts for the year ended 31 March 2006.

Principal Activities

The principal activities of the Company during the period were the continuing research, development, and eventual commercial exploitation of alternative and renewable energy from wave power.

Results

Details of the results for the period are set out in the Profit and Loss account on Page 5. The Directors do not recommend the payment of a dividend.

Turnover

During the period, work commenced on the design and build of a 1/20<sup>th</sup> scale model of the proposed 'omni-directional, fully submerged, resonating, oscillating water column'.

It is fully recognised that a considerable period of time will elapse before income through successful commercial exploitation could arise, but the research and testing programme may add value to the Intellectual Property owned by the Company, and any subsequent and consequent Patents.

Post Balance Sheet Events

Following completion of the build of the scale model, a limited programme of testing was conducted during July 2006. The results were encouraging. A patent application was submitted on behalf of the Company in August 2006, and subsequently given the Patent Application Number 0616210.1

Directors and their interests in Shares

The following served as Directors during the period:

	£1 Ordinary Shares	
	At 01/04/05	At 31/03/06
Dennis J Carey	25	25
Christopher M Taylor	15	15
Patrick A Taylor	9	9
David L Hagan	51	51

Close Company

The Company is a close company within the meaning of the Income and Corporation Taxes Acts.

Auditors

The Auditor, J.J. Newton FCA, has expressed willingness to continue in office.

By order of the Board

**D.L. Hagan FCA AMI MSI**  
Secretary  
8 December 2006

**NEPTUNE ENERGY LIMITED****DIRECTORS RESPONSIBILITIES**

Company law requires directors to prepare financial statements in accordance with applicable law and United Kingdom Accounting Standards for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for that year. In preparing those 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;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NEPTUNE ENERGY LIMITED

**REPORT OF THE AUDITOR**

We have audited the financial statements on pages 5 to 7 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

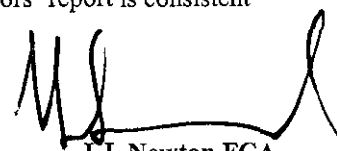
Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 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 consider 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 2006 and of the result for year ended on that date and have been properly prepared in accordance with the Companies Act 1985. The information given in the directors' report is consistent with the financial statements.



J.J. Newton FCA  
CHARTERED ACCOUNTANT  
8 December 2006

39 Ravenscourt Gardens  
LONDON W6 0TU

**NEPTUNE ENERGY LIMITED****PROFIT AND LOSS ACCOUNT**  
for the year ended 31 March 2006

	Year to 31 March 2006	12 October 2004 to 31 March 2005
TURNOVER		
TRADING INCOME	0.00	0.00
Interest received	4.70	3.18
	<hr/>	<hr/>
INCOME	4.70	3.18
Less Costs:		
Computer modelling costs	-	5,875.00
Model build and test costs	9633.63	-
Sundries	33.60	
	<hr/>	<hr/>
LOSS BEFORE TAXATION	(9,622.53)	(5,871.82)
Corporation Tax	-	-
	<hr/>	<hr/>
LOSS FOR THE YEAR	(9,622.53)	(5,871.82)
Profit and Loss Account Balance	(5,871.82)	-
	<hr/>	<hr/>
LOSS CARRIED FORWARD	£(15,534.35)	£(5,871.82)
	<hr/>	<hr/>

There were no other recognised gains or losses or movements in shareholders' funds in the period.

The results for the period reflect the continuing activities of the company.

## NEPTUNE ENERGY LIMITED

**BALANCE SHEET**

as at 31 March 2006

CAPITAL EMPLOYED	31/03/06	31/03/05
Ordinary Shares of £1 each, Authorised, Issued and Fully Paid	100.00	100.00
Profit and Loss Account	(15,534.35)	(5,871.82)
	<hr/>	<hr/>
	<b>£(15,434.35)</b>	<b>£(5,771.82)</b>
	<hr/>	<hr/>
REPRESENTED BY		
CURRENT ASSETS:		
Intellectual Property	1.00	1.00
Cash at Banks	199.28	228.18
	<hr/>	<hr/>
	200.28	229.18
Less CURRENT LIABILITIES		
LOAN ACCOUNT- D L Hagan	(15,634.63)	(6,001.00)
	<hr/>	<hr/>
	<b>£(15,434.35)</b>	<b>£(5,771.82)</b>
	<hr/>	<hr/>

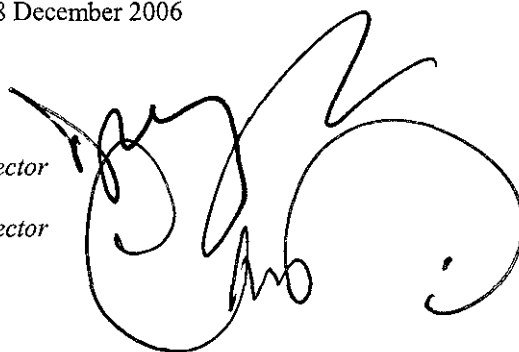
Approved by the Board of Directors on 8 December 2006

D.L.Hagan FCA ATII MSI

Director

C.M.Taylor

Director



**NEPTUNE ENERGY LIMITED**

**NOTES TO THE ACCOUNTS**  
for the year ended 31 March 2006

**1. ACCOUNTING POLICIES**

(a) Basis of accounting. The accounts have been prepared in accordance with the historical cost convention.

(b) Turnover was Nil.

(c) Intellectual Property is valued at cost.

**2. TAXATION**

Surplus trading losses will be carried forward for relief against future profits.

**3. DIRECTORS' REMUNERATION**

Remuneration of the Directors

Nil

**4. EMPLOYEE INFORMATION**

The company has no employees.