

Final Results

RNS Number : 4278N

Tricor PLC

28 September 2012

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Tricor plc
("Tricor", the "Group" or the "Company")

Final results for the year ended 31 March 2012

Tricor announces its full year results for the 12 months ended 31 March 2012. A copy of Tricor's annual report and accounts will shortly be posted to shareholders and be made available on the Company's website, www.tricor-plc.co.uk.

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Chairman's Statement

The Group made a trading loss of £1,534,000 against a £2,648,000 loss in 2011. This was primarily due to the costs relating to the Cambodian project, which has not progressed.

The Company has been aggressively pursuing the VAT claim and has appointed new lawyers. The Board has been advised that recent rulings in the European courts increases the chances of the Company prevailing in its VAT claim. The Board expects the claim to be concluded sometime in 2013.

Following the approval of the investing policy in October 2011, the Company continues to seek acquisitions that may amount to a reverse takeover or investments in line with the investing policy, whilst continuing the pursuit of the VAT claim.

Although the Company has been in advanced discussions with a number of parties, it has not been able to agree the terms for a reverse takeover transaction due to the uncertainty associated with the VAT claim. Accordingly, the Board will try to make other investments to try to implement its investing policy in the short term. In the meantime, trading in the Company's shares on AIM will be suspended from 28 September 2012. If the investing policy has not been implemented by 27 March 2013, the Company's admission to trading on AIM will be cancelled, pursuant to the AIM rules. The Board will make every reasonable effort to ensure this does not occur and will try to implement the

investing policy as soon as possible in order that trading on AIM can be restored. Announcements will be made as and when appropriate.

Chan Fook Meng
Chairman

27 September 2012

Investing Policy

The Company's Investing Policy is to focus on building up businesses, or alternatively identifying and acquiring quoted and unquoted businesses, which are involved in:

1. Providing services and facilities to support, assist and serve the natural resources industries, in particular exploration, mining and extraction of resources. The services and facilities that are to be within the scope of the Investing Policy will include management services, transportation, logistics, processing, testing and storage. The Investing Policy will extend to companies and businesses that are engaged in trading of natural resource products and commodities, including but not limited to coal, owning natural resources, mines and tenements and exploration and extraction rights for natural resources of any kind, developing and construction of infrastructure for transportation, including building roads and building and owning plants for the conversion and processing of coal to useable fuel in each case in any part of the World; and
2. Developing carbon credits through forestry and other emissions-related activities and providing the sales and financial infrastructure to monetise carbon credits in the international markets.

By actively investing in businesses with complementary areas of expertise, which may for example include in relation to the natural resource sector, exploration, processing, inspection, testing, aviation, maintenance and similar activities, the directors of Tricor (the "**Directors**") believe that it is possible to generate considerable opportunities for the cross selling of services between the different operations and countries. The Directors also intend to continue to make minority investments in such businesses where the Company would be a passive investor, but where those investments provide the opportunity for enhancing the growth prospects of the Company.

With regard to the acquisitions that the Company expects to make, the Directors may adopt earn-out structures, with specific performance targets being set for the sellers of the businesses acquired and with suitable metrics applied. The Company may invest by way of hiring appropriate persons to build up a business or by outright acquisition or by the acquisition of assets, including intellectual property, of a relevant business or via establishing partnerships or joint venture arrangements. Such investments may result in the Company acquiring the whole or part of a company (which in the case of an investment in a company may be private or listed on a stock exchange and which may be pre-revenue) and such investments may constitute a minority stake in the company or project in question. The Company's investments may take the form of equity, joint venture debt, convertible instruments, licence rights or other financial instruments as the Directors deem appropriate.

The Company will be both an active and a passive investor and the Directors will place

no minimum or maximum limit on the length of time that any investment may be held. There is no limit on the number of projects into which the Company may invest nor the proportion of the Company's gross assets that any investment may represent at any time and the Company will consider possible opportunities anywhere in the World. There are no borrowing limits in the articles of association of the Company. The Directors do not intend to acquire any cross-holdings in other corporate entities that have an interest in the ordinary shares of 0.01 of one penny each in the capital of the Company ("**Ordinary Shares**").

There are no restrictions on the type of investment that the Company might make nor on the type of opportunity that may be considered other than as set out in this Investing Policy. As the Ordinary Shares are traded on AIM this provides a facility for holders of Ordinary Shares ("**Shareholders**") to realise their investments in the Company. In addition, the Directors may consider from time to time other means of facilitating returns to Shareholders including dividends, share repurchases, demergers, schemes of arrangement or liquidation.

TRICOR PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2012

		2012	2011
	Notes	£'000	(Restated) £'000
Continuing operations			
Revenue	6	-	-
Gross profit		-	-
Administrative expenses	7	(1,251)	(1,195)
Write off investments		(84)	(1,304)
Impairment of intangible assets		(65)	-
Operating loss	7	(1,400)	(2,499)
Loss before tax for the year		(1,400)	(2,499)
Income tax charge	8	-	-
Loss for the year from continuing operations		(1,400)	(2,499)
Discontinued operations	27		
Profit/(loss) for the year from discontinued operations		(134)	(149)
Loss for the year		(1,534)	(2,648)
Other comprehensive income			
Others		-	-
Total comprehensive income for the year	19	(1,534)	(2,648)

Loss for the year attributable to:

Owners of the parent	9	(1,534)	(2,648)
Total comprehensive income attributable to:			
Owners of the parent		(1,534)	(2,648)
Loss per share			
From continuing operations:			
- basic and fully diluted	10	(0.04p)	(0.09p)
From discontinued operations			
- basic and fully diluted	10	(0.01p)	(0.01p)
From continuing and discontinued operations			
- basic and fully diluted	10	(0.05p)	(0.10p)

There is no difference between basic and diluted loss per share.

TRICOR PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 2012

	Notes	2012 £'000	2011 £'000
Assets			
Non-current assets			
Intangible assets	11	-	65
Property, plant and equipment	12	9	6
Investments	13	-	-
		9	71
Current assets			
Trade and other receivables	14	1,397	1,374
Cash and cash equivalents	15	17	627
		1,414	2,001
Liabilities			
Current liabilities			
Trade and other payables	16	(1,131)	(735)
Financial liabilities - borrowings	17	(5)	(134)
		278	1,132
Net current assets			
Non-current liabilities			
Financial liabilities - borrowings		(2,360)	(3,091)
Non-interest bearing loans	17		
		(2,073)	(1,888)
NET LIABILITIES			

Equity attributable to owners of the parent

Share capital	18	3,581	3,220
Share premium	19	49,874	48,663
Merger reserve	19	324	324
Share based payment reserve	19	63	51
Non-interest bearing loans	17	650	885
Retained losses	19	(56,565)	(55,031)
TOTAL DEFICIT		(2,073)	(1,888)

The financial statements were approved and authorised for issue by the board of directors on 27 September 2012 and were signed on its behalf by:

Chan Fook Meng
Director

27 September 2012

Company Registration No: 02709891

TRICOR PLC**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****AS AT 31 MARCH 2012**

	Share capital	Share premium	Share based payments reserve	Other reserves	Retained losses	Total Equity
	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 April 2010	3,173	48,517	59	721	(52,383)	-
Transaction with owners:						
Issue of shares	20	-	-	-	-	-
Conversion of loan notes	22	128	-	-	-	150
Encashment of warrants	5	18	(8)	-	-	15
Non-interest bearing loans	-	-	-	488	-	488
Total comprehensive income	-	-	-	-	(2,648)	(2,648)
As at 31 March 2011	3,220	48,663	51	1,209	(55,031)	(1,888)
Issue of shares	361	1,211	-	-	-	1,572
Non-interest bearing loans	-	-	-	(235)	-	(235)
Total comprehensive income	-	-	-	-	(1,534)	(1,534)
Issue of share options	-	-	12	-	-	12
As at 31 March 2012	3,581	49,874	63	974	(56,565)	(2,073)

Share capital (deferred and ordinary) is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of the respective shares net of share issue expenses.

Other reserves represent a merger reserve and the equity portion of non-interest bearing loans.

Share based payment reserve is described in detail in Note 21 to the accounts.

Retained loss represents the cumulative losses of the company attributable to owners of the company.

TRICOR PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £'000	2011 £'000
Cash flows from operating activities			
Cash utilised in operations	20	(804)	(2,128)
Net cash consumed in operations		(804)	(2,128)
Cash flows from investing activities			
Purchase of tangible fixed assets		(6)	-
Net cash outflow from investing activities		(6)	-
Cash flows from financing activities			
New loans		200	2,550
Issue of ordinary shares		-	15
Net cash from financing activities		200	2,565
Increase/(decrease) in cash and cash equivalents		(610)	437
Cash and cash equivalents at beginning of year	15	627	190
Cash and cash equivalents at end of year	15	17	627

TRICOR PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. GENERAL INFORMATION

Tricor is a company incorporated in England and Wales and quoted on AIM market of the London Stock Exchange. The address of the registered office is Finsgate, 5-7 Cranwood Street, London EC1V 9EE. The principal activity of the Group in the period under review was development of a carbon credit business and pursuit of investments in line with the Company Investing Policy.

2. ACCOUNTING POLICIES

2.1 Going concern

The financial statements have been prepared on the assumption that the group is a going concern. When assessing the foreseeable future, the directors have looked at a period of 12 months from the date of approval of this report.

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 3. In addition note 3 to the financial statements includes the group's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposures to credit risk and liquidity risk.

On the basis of the cash balance held at the date of the report and the remaining investment facility that can be drawn down of £90,000 and the planned activities in the next 12 months and after making enquiries, the directors have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

2.2 Basis of preparation

These consolidated financial statements are prepared under applicable law and International Financial Reporting Standards (IFRS's) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with provisions of the Companies Act 2006.

The following IFRS, IFRIC interpretations and amendments have been issued and effective for the first time in this financial period that have had a material impact on the Group.

IFRIC 19, 'Extinguishing financial liabilities with equity instruments', is effective for annual periods beginning on or after 1 July 2010. The interpretation clarifies that equity instruments issued to a creditor to extinguish a financial liability qualify as consideration paid. The equity instruments issued are measured at their fair value. In case that this cannot be reliably measured, the instruments are measured at the fair value of the liability extinguished. Any gain or loss is recognised in profit or loss.

There are no other IFRS or IFRIC interpretations that are effective that would be expected to have a material impact on the Group.

There are no IFRS or IFRIC interpretations and amendments that are not yet

effective that would be expected to have a material impact on the Group.

2.3 Consolidation

2.3.1 Subsidiaries

Subsidiaries are all entities over which Tricor 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 Tricor 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 or adjusted upon consolidation where necessary to ensure consistency with the policies adopted by the group.

2.3.2 Intangibles

Licence

Separately acquired licences are shown at historical cost. 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 the licence over its estimated useful life of five years. The licence has been fully impaired in the period.

2.4 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.

2.5 Investments

Fixed assets investment is carried at cost less provision for diminution in value. The carrying value is calculated based on the fair value and expected recoverability of the investments.

2.6 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 asset's 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 rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life, at rates between 15% and 33.3% on reducing balances.

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.

2.7 Revenue recognition

Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group.

2.8 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.

2.9 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 substantively 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.

2.10 Operating leases

Assets held under finance leases are initially recognised as assets of the group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are treated as reduction of the lease obligation on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

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.

2.11 Segment reporting

Operating segments are identified on the basis of internal reports about components of the company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

2.12 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.

2.13 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 are considered indicators that the trade receivable is impaired.

2.14 Trade payables

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

2.15 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 are classified as equity instruments if the following conditions are met: The instrument includes no contractual obligation to deliver cash or another financial asset or to exchange the financial asset or financial liability under conditions that are unfavourable to the company; and, if the instrument may or will be settled in the company's own equity instrument, it is: a non-derivative that includes no contractual obligation for

the issues to deliver a variable number of its own equity instruments; or, a derivative that will be settled by the company exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments. For this purpose the company's own equity instruments do not include instruments that are themselves contracts for the future receipts or delivery of the company's own equity instruments.

2.16 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 values, plus, for instruments not at fair value through profit or loss, any directly attributable transaction 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 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.

2.17 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 the relatively short term nature of these financial instruments.

The company provides financial guarantees to licensed banks for credit facilities extended to subsidiary companies. 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.

2.18 Share-based compensation

The fair value of the employee's, directors' and suppliers' services received in exchange for the grant of the options and warrants are 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 and warrants are exercised.

2.19 Share capital

Ordinary and deferred shares are classified as equity. Other types of equity instruments are those as described in 2.15.

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.

2.20 Functional currency translation

i) Functional and presentation currency

The financial statements are presented in pounds sterling (£), which is both the group's presentation and functional currency.

i) 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.

2.21 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 that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below:

(a) Impairment of intangibles (other than goodwill)

Intangible assets 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.

(b) Share-based compensation

The fair value of options and warrants are 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.

3. FINANCIAL RISK MANAGEMENT

General objectives, policies and processes

The board has overall responsibility for the determination of the group and company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the group's finance function. The board receives regular reports from the group chief financial officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The group is exposed through its operations to the following financial risks:

- Liquidity risk;
- Credit risk;

- Interest rate risk; and
- Market risk.

The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the group and company's competitiveness and flexibility. There have been no substantive changes in the group's and company's exposure to financial instrument risks, their objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note. Further details regarding these policies are set out below:

Principal financial instruments

The principal financial instruments used by the group and company, from which financial instrument risk arises are as follows:

- Trade and other receivables;
- Cash and cash equivalents;
- Trade and other payables;
- Borrowings; and
- Non-interest bearing loans.

Liquidity risk

The group's and company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, they seek to maintain readily available cash balances to meet expected requirements for a period of at least 60 days. The group currently has a good working capital cycle. The business is mainly funded from the long term convertible loan notes of approximately £3.0 million. A number of the convertible loan notes were converted into ordinary shares in the year and shortly after the reporting period.

Rolling cash forecasts identifying the liquidity requirements of the group and company are produced frequently. These are reviewed regularly by management and the board to ensure that sufficient financial headroom exists for at least a 12 month period.

Credit risk

The credit risk on liquid funds is limited because the counterparties are banks with investment grade credit ratings assigned by international credit rating agencies.

Interest rate risk

The group does not have formal policies on interest rate risk. However, the group's exposure in this area (as at the balance sheet date) was minimal.

The group's unsecured convertible loan notes in issue total £3,015,000 do not carry any interest.

Market risk

The market may not grow as rapidly as anticipated and the group may not be able to find an investment that is appropriate to its needs. There is no certainty that the group will be able to achieve its projected levels of cash flows.

Capital risk management

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

In order to maintain or adjust capital structure, the group may adjust the amount of issuing new shares or sell assets to reduce debt.

The group monitors capital on the basis of the gearing ratio, the ratio; is calculated as net debt divided by total capital. The gearing ratio has increased to 854% from 366% in 2011; the directors are consistently striving to reduce the gearing ratio by converting the convertible loan notes into share capital in the immediate future. The gearing ratios were as follows:

		2012 £'000	2011 £'000
Total borrowings	(Note 17)	2,365	3,225
Less: cash and cash equivalents	(Note 15)	(17)	(627)
Net debt		<u>2,348</u>	<u>2,598</u>
Total equity		<u>(2,073)</u>	<u>(1,888)</u>
Total capital		<u>275</u>	<u>710</u>
Gearing ratio		<u>854%</u>	<u>366%</u>

4. Employees and directors

	2012 £'000	2011 £'000
Wages, salaries, fees and social security costs	<u>295</u>	<u>336</u>

The average monthly number of employees during the period was as follows:

	2012 No.	2011 No.
Directors	3	4
Administration and trading staff	<u>1</u>	<u>1</u>
	<u>4</u>	<u>5</u>

Details of the directors' emoluments:

	Fees 2012 £'000	Fees 2011 £'000
L. van Kampen-Brooks	40	120
A. Rajpal	51	100
Chan Fook Meng	83	-
N. Khan	45	-
C. Armstrong Bell	<u>15</u>	<u>-</u>
	<u>234</u>	<u>220</u>

For details of share options granted to directors, please see Note 21.

5. Segmental analysis

The group operated in no other geographical location other than the United Kingdom. There is also no segmental area of operations.

6. Revenue

There were no sales in the current period. In the prior period the company made sales of 2,435,000 in electronic products. This is disclosed within discontinued activities in note 27.

7. Operating loss is stated after charging

	2012 £'000	2011 £'000
Amortisation of investments	65	-
Depreciation	3	2
Auditors remuneration - audit fees (group)	4	2
- audit fees (company)	8	8
- non-audit fees	70	6
Share based payments	12	-
	<u> </u>	<u> </u>

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

	2012 £'000	2011 £'000
Employment costs	234	329
Travelling and entertaining	36	161
Legal and professional fees	972	661
Other expenses	9	44
	<u> </u>	<u> </u>
	1,251	1,195
	<u> </u>	<u> </u>

8. Tax

As a result of the losses incurred in the year and losses brought forward no tax charge has arisen.

	2012 £'000	2011 £'000
Current tax charge	-	-
	<u> </u>	<u> </u>
Factors affecting the tax charge		
Loss on ordinary activities before taxation	(1,534)	(2,648)
	<u> </u>	<u> </u>

Loss on ordinary activities before tax multiplied by

Standard rate of corporation tax at 26% (2011 - 28%)	(399)	(741)
Effects of:		
Losses extinguished or carried forward	399	741
	<hr/>	<hr/>
Current tax charge/(recovery)	-	-
	<hr/>	<hr/>
Expenses not deductible in determining taxable loss:		
Depreciation and amortisation	18	1
Other tax adjustments	381	740
	<hr/>	<hr/>
Tax credit	399	741
	<hr/>	<hr/>

As at 31 March 2012, the group carried forward estimated tax losses of £1,999,650 (2011: £1,180,330) and excess management expenses of £3,043,523 (2011: 3,043,523). The deferred tax assets on these estimated tax losses at 26% (2011: 28%) would be £519,900 (2011: £330,490) but this has not been recognised due to the uncertainty of its recovery.

9. Loss for the parent company

As permitted by section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements.

	2012 £'000	2011 £'000
Loss for the year	1,534	2,648
	<hr/>	<hr/>

10. Basic and diluted loss per share

The basic loss per share is calculated by dividing the loss of £1,534,000 (2011: £2,648,000 loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, which is 3,262,846,726 (2011: 2,691,479,535). For the year ended 31 March 2012, the basic and diluted loss per share is 0.05 of one penny (2011: loss per share of 0.10 of one penny).

As the company made a loss in the year, the options and warrants on the ordinary shares are not

dilutive.

11. Intangible assets

Group and Company

	Exclusivity licence	Total
Cost	£'000	£'000
At 1 April 2010	45	45
Additions in the year	20	20
	<hr/>	<hr/>
At 31 March 2011 and 31 March 2012	65	65
	<hr/>	<hr/>
Amortisation		
At 1 April 2010 and at 31 March 2011	-	-
Charge in the year	65	65
	<hr/>	<hr/>
At 31 March 2012	65	65
	<hr/>	<hr/>
Carrying value		
At 31 March 2012	-	-
	<hr/>	<hr/>
At 31 March 2011	65	65
	<hr/>	<hr/>

On 1 February 2010, the company signed a licence agreement with First Carbon Trust Limited ("FCTL") for the exclusive use of its platform for a 5 year period. Consideration for the licence was satisfied by the issue of 446,000,000 new ordinary shares of 0.01 of one penny per share ("Ordinary Shares") of the Company to First Carbon Holdings Limited ("FCHL"), the parent company of FCTL. A further deferred payment of 200,000,000 new Ordinary Shares of the company was satisfied on 5 May 2010 and the 200,000,000 new Ordinary Shares were issued to FCHL as part of the licence agreement. The licence has now been fully amortised in the year as the group has not generated revenue from the licence.

The group assesses at each reporting date whether there is an indication that an asset may be impaired, by considering the net present value of discounted cash flow forecasts. If an indication exists an impairment review is carried out; full impairment of the licence is required due to the current uncertainty in the carbon market.

12. Plant and equipment

Group and company

	Fixtures, fittings and equipment £'000	Total £'000
Cost		
At 1 April 2010	17	17
Additions	-	-
Disposals	-	-

At 31 March 2011	17	17
Additions	6	6
At 31 March 2012	23	23
Depreciation		
At 1 April 2010	9	9
Charge for the period	2	2
At 31 March 2011	11	11
Charge for the period	3	3
At 31 March 2012	14	14
Carrying value		
At 31 March 2012	9	9
At 31 March 2011	6	6

13. Investments

Group and
company
£'000

Cost

At 1 April 2010 and at 31 March 2011	100
Additions	84
Disposals	(84)
At 31 March 2012	100

Impairment

At 1 April 2010 and at 31 March 2011	100
Impairment in the year	-
At 31 March 2012	100

Carrying value

At 31 March 2012	-
At 31 March 2011	-

- (a) The company owns 50 million ordinary shares in S4T Limited (previously S4T Plc) and having a cost of £100,000. A full provision has been made of the S4T investment on the basis of the uncertainty of recovery.
- (b) On 26 May 2011, the company incorporated a wholly owned subsidiary, Tricor Environmental PTE Limited, a company incorporated and registered in Singapore. The company has issued 1 ordinary share of SD1.00 but has not traded since formation. The group owns 100% of the shares and holds 100% of the voting rights of the company.
- (c) On 27 September 2011, the company formed a joint venture in a carbon related new business, Tricor Supply Side Carbon Limited, holding 50% of the issued shares, the other 50% being held by Messrs L. van Kampen-Brooks and A. Rajpal, through their company Green Fuel Tech Limited. Green Fuel Tech Limited assumed the funding obligations of Tricor Supply Side Limited of £84,000 in exchange for

420,000,000 new ordinary shares which cost the company £84,000.

14. Trade and other receivables

	Group and Company	
	2012	2011
	£'000	£'000
Current:		
Trade receivables	-	-
Other receivables	1,397	1,374
	<u>1,397</u>	<u>1,374</u>

Included in other receivables are the following:-

An amount of £1.35 million which relates to VAT recoverable. HMRC is withholding payments due to the company along with other mobile telephone dealers. The company has taken legal advice and is preparing a case against HMRC for both repayment and loss of income. The VAT is considered to be fully recoverable on the basis that even if there was evasion of VAT elsewhere within the chain of transactions the directors had no knowledge nor should have had such knowledge; (see contingent liability in respect of this VAT debtor - Note 25). During the year the company entered into an agreement with J. Case and R. Andrews to pay them a fee of 10% each of the total amount recovered. The accounts include a provision of £131,000 that will become payable to each of them in the event that the company is successful at the tribunal.

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

15. Cash and cash equivalents

	Group and Company	
	2012	2011
	£'000	£'000
Bank accounts	17	627
	<u>17</u>	<u>627</u>

16. Trade and other payables

	Group and Company	
	2012	2011
	£'000	£'000
Current:		
Trade payables	561	100
Other payables	26	251
Accrued expenses	544	384
	<u>1,131</u>	<u>735</u>
Aggregate amounts	<u>1,131</u>	<u>735</u>

17. Financial liabilities - borrowings

	2012	2011
	£'000	£'000
Group and company		
Non-current		
Unsecured convertible loan notes	3,010	3,950
Equity portion of convertible loan notes	(650)	(859)
	<u>2,360</u>	<u>3,091</u>

	2,360	3,091
Current		
Unsecured convertible loan notes	5	160
Equity portion of convertible loan notes	-	(26)
	<u>5</u>	<u>134</u>
Total borrowings	<u>5</u>	<u>134</u>

	2012	2011
Group and company	£'000	£'000
Loan maturity analysis		
Less than one year	5	134
In more than one year but not more than five years	2,360	3,091
	<u>2,365</u>	<u>3,225</u>
Wholly repayable within five years	<u>2,365</u>	<u>3,225</u>

The fair value of current borrowings equates to their carrying amount as the impact of discounting is not significant.

Convertible loan notes, none of which are interest bearing, have been issued as follows:

- (a) On 4 January 2011, the company issued an unsecured convertible loan note of £1,500,000 of which £100,000 had been converted to Ordinary Shares on 1 February 2011. The loan note can be converted at a subscription price 0.03p per share on the principal loan amount and was exchanged for a new convertible loan note repayable on 31 December 2013;
- (b) On 28 January 2011, the Company issued an unsecured convertible loan note of £300,000 of which £150,000 has been converted to Ordinary Shares. The first part of the loan note of £150,000 was issued on 28 January 2011 and the remaining £150,000 was issued on 28 April 2011. The loan note can be converted at a subscription price 0.07p per share on the principal loan amount and is repayable on 28 July 2012. The company has negotiated an extension of the repayment of the loan to 28 July 2013;
- (c) On 31 December 2010, the company issued an unsecured convertible loan note to 11 participants for £2,550,000. The loan note can be converted at a subscription price of 0.2p per share on the principal loan amount and was repayable on 31 December 2012. The company has negotiated an extension of the repayment of the loan to 30 June 2013 and the conversion price is now 0.05p. During the year £1,250,000 of these loan notes were converted into ordinary shares, with a balance of £1,300,000 still outstanding;
- (d) On 23 December 2011, the company issued a convertible loan note of £100,000 of which £60,253 has been drawn down. The loan note can be converted at a subscription price of 0.02p per share on the principal loan amount and is repayable on 31 December 2013;
- (e) On 30 January 2012, the company issued a convertible loan note of £150,000, of which £100,000 has been drawn down. The loan note can be converted at a subscription price of 0.03p per share of the principal loan amount and is repayable on 31 December 2013;

- (f) On 2 February 2012, the company issued a convertible loan note of £100,000, none of which has been drawn down. The loan notes can be converted at a subscription price of 0.03p per share of the principal loan amounts and is repayable on 31 December 2013;
- (g) On 14 February 2012, the company issued a convertible loan note of £40,000 which has been fully drawn down. This was converted into ordinary shares of 0.01p each, 50% on 8 March 2012 and 50% on 22 March 2012.

Loans (d), (e) and (f) can only be used to fund acquisitions and related costs and (g) for the purposes of funding any litigation including the VAT tribunal.

The convertible loan notes amounting to £3,010,000 have been split between debt and equity as per the requirement of IAS32. Using an interest rate of 8%, the company has estimated the debt to be £2,360,000 and equity to be £650,000.

18. Share capital

The details of the paid up share capital are as follows:

	2012 No' 000	2011 No' 000	2012 £'000	2011 £'000
Allotted, called up and fully paid:				
Ordinary shares of 0.01p each	6,375,350	2,757,370	637	276
Deferred shares of 0.09p each	653,084	653,084	588	588
Deferred shares of 4.9p each	48,084	48,084	2,356	2,356
			<u>3,581</u>	<u>3,220</u>

Ordinary shares of 0.01p each

	No' 000
At 1 April 2010	2,293,084
New shares issued	200,000
Conversion of loan notes	214,286
Exercise of warrants	50,000
At 31 March 2011	2,757,370
Conversion of loan notes	2,638,333
Settlement of creditors	559,647
Acquisition of investment	420,000
At 31 March 2012	<u>6,375,350</u>

The deferred shares do not carry any voting rights.

Shares issued during the period were as follows:

- (a) On 23 August 2011, 200,000,000 ordinary shares of £0.0001 each were issued to a former director in settlement of a debt due to him;
- (b) On 27 September 2011, 420,000,000 ordinary shares of £0.0001 each were issued in relation to the joint venture of Tricor Supply Side Carbon Limited;

- (c) On 25 January 2012, 176,470,587 ordinary shares of £0.0001 each were issued in settlement of directors' fees and a further 183,176,470 ordinary shares of £0.0001 each were issued in settlement of certain trade creditors;
- (d) On 2 February 2012, 5,000,000 ordinary shares of £0.0001 each were issued in settlement of a short term loan and a further 100,000,000 ordinary shares of £0.0001 each in respect of loan note conversion;
- (e) On 9 February 2012, 1,000,000,000 ordinary shares of £0.0001 each were issued in respect of loan note conversions;
- (f) On 8 March 2012, 66,666,667 ordinary shares of £0.0001 each were issued in respect of a loan note conversion;
- (g) On 22 March 2012, 66,666,667 ordinary shares of £0.0001 each were issued in respect of a loan note conversion; and
- (h) On 28 March 2012, 1,400,000,000 ordinary shares of £0.0001 each were issued in respect of loan note conversions.

19. Reserves

Group and Company

	Shares premium	Other reserves	Share based payment reserve	Retained losses	Total reserves
	£'000	£'000	£'000	£'000	£'000
As at 1 April 2010	48,517	721	59	(52,383)	(3,086)
On conversion of loan notes	128	-	-	-	128
On encashment of warrants	18	-	(8)	-	10
Non-interest bearing loans	-	488	-	-	488
Losses after tax for the year	-	-	-	(2,648)	(2,648)
As at 31 March 2011	48,663	1,209	51	(55,031)	(5,108)
Share based payment	-	-	12	-	12
On settlement of creditors	137	-	-	-	137
On conversion of loan notes	1,032	-	-	-	1,032
On acquisition of investment	42	-	-	-	42
Reallocation of loan notes	-	(235)	-	-	(235)
Losses after tax for the year	-	-	-	(1,534)	(1,534)
At 31 March 2012	49,874	974	63	(56,565)	(5,654)

20. Reconciliation of loss before tax to cash generated from operations

	2012 £'000	2011 £'000
Group and Company		
Loss before tax	(1,534)	(2,648)

Depreciation charges	3	2
Investments: Impairment of licence	65	-
Impairment of investment	84	-
Share based payment	12	-
	<u>(1,370)</u>	<u>(2,646)</u>
Increase/(decrease) in trade and other receivables	23	(1)
Increase in trade and other payables	343	542
Decrease in short term borrowings	(155)	(23)
Decrease in long term borrowings	(940)	-
Conversion of debt to equity	1,295	-
	<u>(804)</u>	<u>(2,128)</u>
Cash consumed in operations	(804)	(2,128)

21. Share-based payments

On 1 February 2010 the following directors and former directors were granted options under the EMI Scheme as follows:-

- 250,000,000 options to L. van Kampen-Brooks at 0.07 pence per share to be exercised at any time in the five years to 28 January 2015.
- 50,000,000 options to J. Case at 0.07 pence per share to be exercised at any time in the five years to 28 January 2015.

On 26 January 2012 the following directors were granted options under the EMI scheme as follows:

- 600,000,000 options to Chan Fook Meng at 0.0425 pence per share to be exercised in the six years to 31 December 2017, half after 25 January 2013 and half after 25 January 2014.
- 300,000,000 options to A. Rajpal at 0.0425 pence per share to be exercised in the six years to 31 December 2017, half after 25 January 2013 and half after 25 January 2014.

The details of the share options and warrants are as follows:

	2012		2011	
	No. of share options	Weighted average exercise price £	No. of share options	Weighted average exercise price £
Warrants granted in Oct 2009	-	-	50,000,000	0.030
Unapproved options granted in Feb 2011	300,000,000	0.070	300,000,000	0.070
Exercised	-	-	(50,000,000)	(0.030)
Options granted in Jan 2012	900,000,000	0.043	-	-
	<u>1,200,000,000</u>	<u>0.049</u>	<u>300,000,000</u>	<u>0.070</u>
Balance carried forward	1,200,000,000	0.049	300,000,000	0.070

The fair values of the options granted and outstanding at 31 March 2012 have been calculated using the Black-Scholes model assuming the inputs shown below:

Type	Options	Options
Grant Date	January 2012	February 2010
Share price at grant date	0.0385p	0.12p
Exercise price	0.0425p	0.07p
Option life in years	6 years	5 years
Risk free rate	4.33%	2.75%
Expected volatility - based on historic trends	60%	10%
Expected dividend yield	0%	0%
	<hr/>	<hr/>
Fair value of option	0.01p	0.17p
	<hr/>	<hr/>
Share based payment charge	£12,122	£50,957
	<hr/> <hr/>	<hr/> <hr/>

The group recognised total expenses of £12,122 (2011: £Nil) related to equity settled payment.

22. Financial commitments

Capital commitments

There was no capital expenditure that had been contracted for at the balance sheet date but not yet incurred.

Lease commitments

The company entered into five property leases, sublet to former trading subsidiaries now sold, during the years 2005-2007. The leases have various expiry dates, up to 20 December 2014. The total potential liability to expiry dates is £169,000 for rentals under the leases.

During the year a provision has been made against one of the leases. A charge in respect of a rent deposit deed was created on 11 June 2008 and all monies becoming due on that deposit.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2012 £'000	2011 £'000
No later than 1 year	35	84
Later than 1 year and no later than 5 years	-	253
	<hr/>	<hr/>
Total	35	337
	<hr/> <hr/>	<hr/> <hr/>

23. Related party transactions

During the year, the company entered into a joint venture arrangement with Green Fuel Tech Limited ("GFTL") a company in which A. Rajpal is a director, to form

Tricor Supply Side Carbon Limited ("TSSC"). GFTL assumed the funding obligation of TSSC of £84,000 in exchange for 420,000,000 shares in the company which cost £84,000. Subsequently the investment value was written down. The Carbon business that Tricor Plc had developed was hived out to the joint venture company.

During the year the company paid £17,464 (2011: £80,478) for services provided by Unilegal LLC, a company in which Mr Chan Fook Meng and Mr. N. Khan are partners. The balance owing at the year end was £Nil (2011: £Nil).

During the year, Ms. Elaine Chiam, the wife of Mr N. Khan, a Director, held £100,000 convertible loan notes in the company. The balance owed by the company at 31 March 2012 was £100,000 (2011: £100,000).

Mr. Chan Fook Meng, a director, holds £700,000 (2011: £700,000) convertible loan notes in the company through his holdings in Jersey Hills Holdings Limited. During the year, Jersey Hills Holdings Limited was paid £36,439 in travel costs incurred. The balance owed at the year end was £1,940.

NAS Corporate Services Ltd, controlled by Mr A. Rajpal, was paid £27,000 (2011: £Nil) for corporate services rendered to the company. The balance owing at the year end was £Nil (2011:£Nil).

24. Events after the reporting period

On 2 May 2012, the company announced that it had received notice to convert £100,000 convertible loan notes into 333,333,333 shares.

On 11 May 2012, the company entered into a further investment facility of £20,000 with an investor. Subsequently, on 21 May 2012, the facility was converted into 100,000,000 shares in the company.

On 5 July 2012, the company raised £30,000 by Darren Ridge through the subscription to 300,000,000 ordinary shares at par. The company granted Darren Ridge warrants to subscribe for 1,500,000,000 ordinary shares at 0.01p per share anytime up until 4 October 2012.

On 16 August 2012, the company issued a further 300,000,000 ordinary shares to Darren Ridge, following the exercise of warrants as detailed above.

The company has entered into a contingent fee arrangement with Morgan Rose Solicitors in respect of the VAT claim. No balance is required to be disclosed at 31 March 2012.

25. Contingent liability

In note 14, the company notes that a VAT debtor of £1.35 million is recoverable from HMRC. The claim was heard at tribunal and legal advisers are pursuing on-going legal applications. The appeal is to claim £1.7 million of VAT plus any interests and costs. The company's directors are confident of success in this matter. Should the case be won, the company has entered into an agreement to pay over 10% each of the net receipts from HMRC to J. Case and R. Andrews. Should the company however lose its appeal the hearing will also determine whether the company should repay approximately £0.7 million of assessed VAT plus costs which HMRC is looking to recover from payments made to the company in 2006.

26. Ultimate controlling party

In the opinion of the directors, there is no controlling party.

27. Discontinued operations

In the prior period the discontinued activity reflects that of the export and import of mobile telephones and other electrical equipment. The change in the current year reflects the provision against an outstanding lease (note 22)

Loss for the year from discontinued operations	2012 £'000	2011 (restated) £'000
Revenue	-	2,435
Cost of sales	-	(2,397)
Gross profit	-	38
Administrative expenses		
Office and administration	-	(94)
Legal and professional costs	-	(37)
Other	-	(56)
Onerous lease	(134)	-
Loss before tax	(134)	(149)
Attributable tax	-	-
Loss for the year from discontinued operations	(134)	(149)