

Registration number 03266902 (England and Wales)

MINESTO UK LIMITED
DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010



MINESTO UK LIMITED
COMPANY INFORMATION

Director Anders Jansson

Company secretary Goodwille Limited

Registered office St James House
 13 Kensington Square
 London
 W8 5HD

Accountants Harmer Slater Limited
 Chartered Accountants
 Salatin House
 19 Cedar Road
 Sutton
 Surrey
 SM2 5DA

MINESTO UK LIMITED
DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

The director presents his report and the unaudited financial statements for the year ended 31 December 2010

Principal activity

The principal activity of the company was that of research into the development of a novel tidal power plant

Director of the company

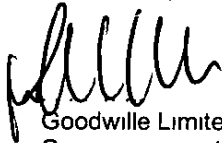
The director who held office during the year and up to the date of signing these financial statements was as follows

Anders Jansson

Small company provisions

The Director's Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

Approved by the director on 10 March 2011



Goodwille Limited
Company secretary

MINESTO UK LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

MINESTO UK LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Research and development costs		(42,479)	(52,079)
Administrative expenses		(11,928)	(15,512)
Other operating income		<u>39,810</u>	<u>23,660</u>
Operating loss	2	<u>(14,597)</u>	<u>(43,931)</u>
Loss on ordinary activities before taxation		(14,597)	(43,931)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
Loss for the financial year		<u>(14,597)</u>	<u>(43,931)</u>

MINESTO UK LIMITED
(REGISTRATION NUMBER: 03266902)
BALANCE SHEET AT 31 DECEMBER 2010

	Note	2010 £	2009 £
Fixed assets			
Intangible fixed assets	5	<u>35,190</u>	<u>-</u>
Current assets			
Debtors	6	41,548	23,948
Creditors Amounts falling due within one year	7	<u>(153,361)</u>	<u>(85,974)</u>
Net current liabilities		<u>(111,813)</u>	<u>(62,026)</u>
Net liabilities		<u>(76,623)</u>	<u>(62,026)</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account	9	<u>(76,625)</u>	<u>(62,028)</u>
		<u>(76,623)</u>	<u>(62,026)</u>

The financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

For the year ending 31 December 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved and authorised for issue by the director on 10 March 2011



Anders Jansson
Director

MINESTO UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

1 ACCOUNTING POLICIES

Going concern

These financial statements have been prepared under the going concern concept on the basis that the parent undertaking has confirmed its ongoing support and provided a guarantee that it will not seek repayment of the loan due to it for as long as the balance sheet remains negative

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008)

A summary of the significant accounting policies which have been consistently applied in the current and the preceding year is set out below

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard for Smaller Entities (effective April 2008)

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate

Research and development

Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project

Research expenditure is written off to the profit and loss account as incurred

Taxation

Corporation tax payable is provided on taxable profits at the current rate of tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

MINESTO UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010
(CONTINUED)

1 ACCOUNTING POLICIES - CONTINUED

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 OPERATING PROFIT / LOSS

Operating profit/loss is stated after charging

	2010 £	2009 £
Foreign currency losses	9,805	1,648
Government grants receivable	<u>(39,810)</u>	<u>(23,660)</u>

3 DIRECTOR'S REMUNERATION

No remuneration was paid to the director during the year (2009: nil)

4 TAXATION

Tax on loss on ordinary activities

	2010 £	2009 £
Current tax		
UK Corporation tax	<u>-</u>	<u>-</u>

MINESTO UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010
(CONTINUED)

4 TAXATION - CONTINUED

Factors affecting current tax charge for the year

Tax on loss on ordinary activities for the year is higher than (2009 - higher than) the standard rate of corporation tax in the UK of 21% (2009 - 21%)

The differences are reconciled below

	2010 £	2009 £
Loss on ordinary activities before taxation	(14,597)	(43,931)
Corporation tax at standard rate	<u>(3,065)</u>	<u>(9,226)</u>
Unrelieved tax losses carried forward	3,065	9,226
Total current tax	<u><u>-</u></u>	<u><u>-</u></u>

Factors that may affect future tax charges

The company has tax losses of £75,500 (2009 £62,500) which are available to be utilised against future profits. No deferred tax asset has been recognised in respect of these losses.

5 INTANGIBLE FIXED ASSETS

	Development costs £
Cost	
Additions	<u>35,190</u>
At 31 December 2010	<u>35,190</u>
Amortisation	
At 31 December 2010	<u>-</u>
Net book value	
At 31 December 2010	<u><u>35,190</u></u>

MINESTO UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010
(CONTINUED)

6 DEBTORS

	2010 £	2009 £
Other debtors	238	-
Prepayments and accrued income	41,310	23,948
	<u>41,548</u>	<u>23,948</u>

7 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Bank overdraft	66	123
Trade creditors	1,124	-
Amount owed to parent undertaking	109,571	61,684
Accruals and deferred income	42,600	24,167
	<u>153,361</u>	<u>85,974</u>

8 SHARE CAPITAL

Allotted, called up and fully paid shares

	2010		2009
	No	£	No. £
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2 2</u>

9 RESERVES

	Profit and loss account £
At 1 January 2010	(62,028)
Loss for the year	<u>(14,597)</u>
At 31 December 2010	<u>(76,625)</u>

MINESTO UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010
(CONTINUED)

10 RELATED PARTY TRANSACTIONS

The company has taken advantage of the provisions of the Financial Reporting Standard for Smaller Entities (effective April 2008) which exempts wholly owned subsidiary undertakings from disclosing transactions with entities that are part of the group or investees of the group qualifying as related parties

11 CONTROL

The ultimate controlling party is Minesto AB, an undertaking incorporated in Sweden, accounts of which can be obtained from Vita gavelns vag 6, 426 71 Vastra Frolunda, Sweden