

Registration number 4081979

Bioenergy Technology Limited
Directors' report and financial statements
for the year ended 31 May 2003



Bioenergy Technology Limited

Company information

Directors	A. N. Redman M. Langridge	Appointed 1st July 2002
Secretary	Mrs. C. D. Redman	
Company number	4081979	
Registered office	15 The Green Southwick Brighton BN42 4DE	
Accountants	Martin Watts & Company 15 The Green Southwick Brighton BN42 4DE	
Business address	Pound Lane Framfield Nr Uckfield East Sussex TN22 5RU	
Bankers	Lloyds TSB 82 High Street Lewes East Sussex	

Bioenergy Technology Limited

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Bioenergy Technology Limited

Directors' report for the year ended 31 May 2003

The directors present their report and the financial statements for the year ended 31 May 2003.

Principal activity

The principal activity of the company is the design, installation and maintenance of heating systems.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/05/03	01/06/02 or date of appointment
A. N. Redman	25,000	25,000
M. Langridge Appointed 1st July 2002	-	-

Review of Year

This year has seen change in the company resulting in the gross profit increasing from 24% to 40%. The company has broken into the market of selling small Biomass boilers to the domestic market and small hand fired log boilers to small business's, and colleges. The Directors are still aware that the company must focus on clients with intent to adopt the biomass option from those with only a general interest in this relatively novel renewable energy option. The company has won large contracts with UGC Cinema's for supplying and servicing their boilers throughout the UK. The trading figures show a lack of turnover and to rectify this the company has employed Dr. Sam Langridge as Sales Director. Dr. Langridge has previously worked at all levels for Companies in Energy and Instrumentation business. Sam, working with company, has been successful in the company obtaining a Smart Award for approximately £45,000 to start a feasibility study for emissions control systems for biomass fired combustion plant. The need to strengthen the company has become apparent and the directors have been invited to purchase more shares in the company, which has taken place in the following year.

Government support for the energy crop sector is considerably more than any previous year, with the introduction of Clear Skies Grant and Action Energy Loans. Hopefully this will help the industry to achieve the envisioned exponential growth to realize the political environmental goals. Bioenergy Technology was first in the industry to achieve accreditation onto the Clear Skies Scheme for their relevant products.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on23/7/04..... and signed on its behalf by

.....*C. D. Redman*.....

Mrs. C. D. Redman
Secretary

Bioenergy Technology Limited

**Accountants' report on the unaudited financial statements to the directors of
Bioenergy Technology Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 May 2003 set out on pages 3 to 10 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



Martin Watts & Company
Accountants and Taxation Practitioners
15 The Green
Southwick
Brighton
BN42 4DE

Date: 26/04/04

Bioenergy Technology Limited

Profit and loss account for the year ended 31 May 2003

		2003	2002
	Notes	£	£
Turnover	2	451,022	588,809
Cost of sales		(259,240)	(445,432)
Gross profit		191,782	143,377
Administrative expenses		(239,843)	(187,252)
Operating loss	3	(48,061)	(43,875)
Other interest receivable and similar income		6	115
Interest payable and similar charges		(307)	(4)
Loss on ordinary activities before taxation		(48,362)	(43,764)
Tax on loss on ordinary activities	6	10	(10)
Loss for the year		(48,352)	(43,774)
Accumulated (loss)/profit brought forward		(43,774)	-
Accumulated loss carried forward		(92,126)	(43,774)

The notes on pages 6 to 10 form an integral part of these financial statements.

Bioenergy Technology Limited

Balance sheet as at 31 May 2003

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		13,816		17,818
Current assets					
Stocks		5,140		-	
Debtors	8	104,936		114,630	
Cash at bank and in hand		131		116	
		<u>110,207</u>		<u>114,746</u>	
Creditors: amounts falling due within one year	9	<u>(163,963)</u>		<u>(126,338)</u>	
Net current liabilities			<u>(53,756)</u>		<u>(11,592)</u>
Total assets less current liabilities			<u>(39,940)</u>		<u>6,226</u>
Creditors: amounts falling due after more than one year	10		<u>(2,186)</u>		<u>-</u>
Net (liabilities)/assets			<u>(42,126)</u>		<u>6,226</u>
Capital and reserves					
Called up share capital	11		35,000		35,000
Share premium account	12		15,000		15,000
Profit and loss account	12		<u>(92,126)</u>		<u>(43,774)</u>
Shareholders' funds			<u>(42,126)</u>		<u>6,226</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 10 form an integral part of these financial statements.

Bioenergy Technology Limited

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 May 2003**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 May 2003 and

(c) that we acknowledge our responsibilities for:


(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 23/7/03 and signed on its behalf by


.....
A. N. Redman
Director


.....
Dr. M. Langridge
Director

The notes on pages 6 to 10 form an integral part of these financial statements.

Bioenergy Technology Limited

Notes to the financial statements for the year ended 31 May 2003

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold improvements	-	Straight line over the life of the lease
Plant and machinery	-	5 years Straight Line
Fixtures, fittings and equipment	-	5 years Straight Line
Motor vehicles	-	4 years Straight Line

1.4. Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating loss

	2003	2002
	£	£
Operating loss is stated after charging:		
Depreciation and other amounts written off tangible assets	4,517	2,959
Loss on disposal of tangible fixed assets	2,204	(2,159)

Bioenergy Technology Limited

Notes to the financial statements for the year ended 31 May 2003

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4. Directors' emoluments

	2003	2002
	£	£
Remuneration and other benefits	<u>66,443</u>	<u>27,033</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a defined benefit scheme	2	1

5. Pension costs

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £6,466 (2002 - £1,200).

6. Tax on loss on ordinary activities

Analysis of charge in period	2003	2002
	£	£
Current tax		
UK corporation tax	-	10
Prior period adjustments	(10)	-
	<u>(10)</u>	<u>10</u>
Total current tax charge	<u>(10)</u>	<u>10</u>
Tax on profit on ordinary activities	<u>(10)</u>	<u>10</u>

Bioenergy Technology Limited

Notes to the financial statements for the year ended 31 May 2003

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7. Tangible fixed assets	leasehold Improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 June 2002	2,697	4,015	9,389	4,400	20,501
Additions	-	-	-	3,995	3,995
Disposals	-	-	-	(4,400)	(4,400)
At 31 May 2003	2,697	4,015	9,389	3,995	20,096
Depreciation					
At 1 June 2002	-	434	1,329	920	2,683
On disposals	-	-	-	(920)	(920)
Charge for the year	-	803	3,048	666	4,517
At 31 May 2003	-	1,237	4,377	666	6,280
Net book values					
At 31 May 2003	2,697	2,778	5,012	3,329	13,816
At 31 May 2002	2,697	3,581	8,060	3,480	17,818

8. Debtors	2003 £	2002 £
Trade debtors	101,341	108,729
Other debtors	1,981	1,743
Prepayments and accrued income	1,614	4,158
	104,936	114,630

Bioenergy Technology Limited

**Notes to the financial statements
for the year ended 31 May 2003**

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9.	Creditors: amounts falling due within one year	2003 £	2002 £	
	Bank overdraft	21,691	11,407	
	Bank loan	1,348	-	
	Payments received on account	21,675	-	
	Trade creditors	41,712	62,923	
	Corporation tax	-	10	
	Other taxes and social security costs	23,301	26,785	
	Directors' accounts	48,168	21,868	
	Other creditors	-	27	
	Accruals and deferred income	6,068	3,318	
		<u>163,963</u>	<u>126,338</u>	
10.	Creditors: amounts falling due after more than one year	2003 £	2002 £	
	Bank loan	<u>2,186</u>	<u>-</u>	
11.	Share capital	2003 £	2002 £	
	Authorised			
	100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	
	Allotted, called up and fully paid			
	35,000 Ordinary shares of £1 each	<u>35,000</u>	<u>35,000</u>	
12.	Reserves	Share premium account £	Profit and loss account £	Total £
	At 1 June 2002	15,000	(43,774)	(28,774)
	Loss for the year		(48,352)	(48,352)
	At 31 May 2003	<u>15,000</u>	<u>(92,126)</u>	<u>(77,126)</u>

Bioenergy Technology Limited

**Notes to the financial statements
for the year ended 31 May 2003**

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13. Controlling interest

The company is under the control of A.N.Redman, who holds 71% of the issued share capital.