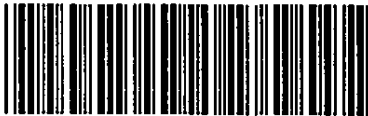


**CELTIQUE ENERGIE WEALD LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2010**

THURSDAY

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COMPANIES HOUSE

# **CELTIQUE ENERGIE WEALD LIMITED**

## **COMPANY INFORMATION**

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**Directors** G Davies  
C Pullan  
K Dups

**Secretary** G Davies

**Company number** 07055133

**Registered office** Lion House  
Red Lion Street  
London  
WC1R 4GB

**Auditors** Saffery Champness  
Lion House  
Red Lion Street  
London  
WC1R 4GB

**Business address** Fourth floor offices and part basement floor  
76-78 Charlotte Street  
London  
W1T 4QS

**Bankers** HSBC Bank plc  
186 Baker Street  
London  
NW1 5RU

**Solicitors** Dr K Mildwaters  
Walton House  
25 Bilton Road  
Rugby  
Warwickshire  
CV22 7AG

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# **CELTIQUE ENERGIE WEALD LIMITED**

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# **CELTIQUE ENERGIE WEALD LIMITED**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2010**

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The directors present their report and financial statements for the period ended 31 March 2010

The financial statement have been prepared in US Dollars (\$), which is the presentational currency of the company's ultimate parent and is the functional currency of the company's trade

### **Principal activities**

The principal activity of the company is oil exploration

The company was incorporated on 23 October 2009 and commenced trade on 31 December 2009

### **Going concern**

The financial position of the company is set out in the financial statements and the notes that follow. The company is still in the exploration phase of its business and has not generated any revenues. It is therefore reliant on existing cash resources, the future support from its existing shareholders or its ability to raise funds in the open market in order to be able to meet its obligations and planned expenditures in the foreseeable future.

The directors have reasonable expectation that the majority shareholder will continue to provide financial support for the foreseeable future and are currently in discussions with several potential industry partners for funding high cost seismic and drilling activities. The directors therefore believe that the company will have sufficient cash to fund its activities and to continue to meet its liabilities as they fall due, for at least the twelve months from the date of approval of these financial statements. The financial statements have, therefore, been prepared on the going concern basis.

### **Use of financial instruments**

The group's financial risk management objectives are to minimise debt, to fund exploration activity through equity financing and to ensure sufficient working capital for the company's overhead and capital expenditure commitments. This is achieved by prudent financial management and careful management of the company's cash balances, both short and long term.

### **Directors**

The following directors have held office since 23 October 2009

G Davies	(appointed 23 October 2009)
C Pullan	(appointed 23 October 2009)
K Dups	(appointed 23 October 2009)

### **Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company

### **Directors responsibilities**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, for safeguarding the assets of the company, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Directors' Report which complies with the requirements of the Companies Act 2006.

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006. The directors have chosen to prepare financial statements for the company in accordance with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union.

# CELTIQUE ENERGIE WEALD LIMITED

## DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2010

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### Directors responsibilities (continued)

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the preparation and presentation of financial statements". In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. A fair presentation also requires the directors to

- consistently select and apply appropriate accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information, and
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance

### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



G Davies  
Director

Date 9 July 2010

## **CELTIQUE ENERGIE WEALD LIMITED**

### **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CELTIQUE ENERGIE PETROLEUM LIMITED**

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We have audited the financial statements ("the financial Statements") of Celtique Energie Weald Limited for the period ended 31 March 2010 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of affairs of the company as at 31 March 2010 and of the loss for the period then ended, and
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**CELTIQUE ENERGIE WEALD LIMITED**

**REPORT OF THE INDEPENDENT AUDITORS  
TO THE MEMBERS OF CELTIQUE ENERGIE PETROLEUM LIMITED (continued)**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

**Robert Elliott (Senior Statutory Auditor)  
For and on behalf of Saffery Champness**

Chartered Accountants  
Statutory Auditors

Lion House  
Red Lion Street  
London  
WC1R 4GB

Date      26 July      2010

**CELTIQUE ENERGIE WEALD LIMITED**

**INCOME STATEMENT  
FOR THE PERIOD ENDED 31 MARCH 2010**

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	<b>Notes</b>	<b>2010 \$</b>
Administrative expenses		(7,901)
Foreign exchange gains/(losses)		(13,531)
		<hr/>
<b>Loss from operations before taxation</b>	<b>2</b>	<b>(21,432)</b>
Taxation expense	<b>5</b>	<b>-</b>
		<hr/>
<b>Loss for the year</b>		<b>(21,432)</b>

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All of the company's activities are classed as continuing

The accompanying accounting policies and notes form an integral part of these financial statements



**CELTIQUE ENERGIE WEALD LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2010**

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	<b>Share capital \$</b>	<b>Profit and loss account \$</b>	<b>Total \$</b>
Balance at 23 October 2009	-	-	-
Issue of share capital	300,702	-	300,702
Loss for the period ended 31 March 2010	-	(21,432)	(21,432)
<b>Net assets</b>	<u>300,702</u>	<u>(21,432)</u>	<u>279,270</u>

The accompanying accounting policies and notes form an integral part of these financial statements

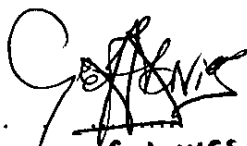
**CELTIQUE ENERGIE WEALD LIMITED**


**BALANCE SHEET  
AS AT 31 MARCH 2010**

	Notes	2010 \$
<b>Assets</b>		
<b>Non current assets</b>		
Intangible assets	6	330,488
<b>Current assets</b>		
Trade and other receivables	7	272,630
Cash and cash equivalents		300,641
<b>Total current assets</b>		<u>573,271</u>
<b>Total assets</b>		<u>903,759</u>
<b>Current liabilities</b>		
Trade and other payables	8	<u>(624,489)</u>
<b>Total liabilities</b>		<u>(624,489)</u>
<b>Net current assets</b>		<u>(51,218)</u>
<b>Net assets</b>		<u>279,270</u>
<b>Equity</b>		
Called up share capital	9	300,702
Profit and loss account		(21,432)
<b>Shareholders' funds</b>		<u>279,270</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

The financial statements were approved by the Board of Directors on 9 July 2010

  
Director - G. DAVIES

  
Director - C. PULLAN

The accompanying accounting policies and notes form an integral part of these financial statements

Company registration number: 07055133

**CELTIQUE ENERGIE WEALD LIMITED****CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 31 MARCH 2010**

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	\$	2010	\$
<b>Operating activities</b>			
Loss from operations	(21,432)		
Operating cash flows before movements in working capital	<u>(21,432)</u>		
Increase in receivables	(280,598)		
Increase in payables	<u>632,457</u>		
Net cash absorbed by operating activities			330,427
<b>Investing activities</b>			
Investment in exploration and appraisal activities			(330,488)
<b>Financing activities</b>			
Issue of shares		<u>300,702</u>	
Net cash from financing activities			300,702
Net increase in cash and cash equivalents			<u>300,641</u>
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period			<u><u>300,641</u></u>

The accompanying accounting policies and notes form an integral part of these financial statements

# CELTIQUE ENERGIE WEALD LIMITED

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2010

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### 1 Accounting policies

The financial information for the period ended 31 March 2010 has been prepared on the historical cost basis and is in accordance with the recognition and measurement criteria of International Financial Reporting Standards as adopted by the European Union ("IFRS")

The financial statements have been prepared in US Dollars (\$), which is the presentational currency of the company's ultimate parent and is the functional currency of the company's trade

### 1.1 Compliance with accounting standards

The financial statements are prepared in accordance with applicable International Financial Reporting Standards

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#### Applicable new standards and interpretations effective in the year

The Company has adopted the following new and amended IFRSs during the year

- In November 2006, the IASB issued IFRS 8 'Operating Segments' which became effective for annual accounting periods beginning on or after 1 January 2009. This standard requires disclosures on the financial performance of the operating segments of the entity. As permitted by the standard, the company adopted the IFRS prior to 1 January 2009, preparing the financial statements for the year ended 31 March 2009 in accordance with its disclosure requirements.

#### Applicable new standards and interpretations effective in the year but not relevant to the Company

At the date of authorisation of these Financial Statements, the following standards and interpretations, which have not been applied in these Financial Statements, were in issue but are not relevant for the Company's financial statements

- IAS 1 (amendment) Presentation of financial statements
- IAS 1 (revised) Presentation of financial statements
- IAS 19 (amendment) Employee Benefits
- IAS 20 (amendment) Government Grants and Disclosure of Government Assistance
- IAS 23 (amendment) Borrowing costs
- IAS 29 (amendment) Financial Reporting in Hyperinflationary Economies
- IAS 32 (amendment) Financial instruments presentation
- IFRS 1 (amendment) First-time adoption of IFRS, and IAS 27, Consolidated and separate financial statements
- IFRS 2 (amendment) Share based payments
- IFRS 7 (amendment) Financial instruments disclosures
- IFRIC 15 Agreements for construction of real estates

#### Applicable new standards and interpretations not yet effective

The following interpretations are mandatory for the Company's accounting periods beginning on or after 1 July 2009 or later periods but are not relevant for the Company's financial statements -

- IAS 24 (amendment), Related party disclosures (effective for annual periods beginning on or after 1 January 2011)
- IAS 27 (amendment), Consolidated and separate financial statements (effective for annual periods beginning on or after 1 July 2009)
- IAS 28, Consequential Amendments Arising From Amendments to IFRS 3 (effective from 1 July 2009)

# **CELTIQUE ENERGIE WEALD LIMITED**

## **NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2010 (continued)**

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### **1.1 Compliance with accounting standards (continued)**

#### **Applicable new standards and interpretations not yet effective (continued)**

- IAS 31, Consequential Amendments Arising From Amendments to IFRS 3 (effective from 1 July 2009)
- IAS 39, (amendment), Financial Instruments Recognition and measurement (effective from 1 July 2009)
- IFRS 1 (amendments) Additional exemptions for first-time adopters (effective from 1 January 2010)
- IFRS 2 (amendment) Share based payments (effective for annual periods beginning on or after 1 January 2010)
- IFRS 3 (amendment), Business combinations (effective for annual periods beginning on or after 1 July 2009)
- IFRS 5 (amendment), Non-current Assets Held for Sale and Discontinued Operations (effective 1 July 2009)
- IFRS 9 (new standard) Financial instruments (effective for annual periods beginning on or after 1 January 2013)
- IFRIC 17, Distributions of non-cash assets to owners
- IFRIC 18, Transfers of assets from customers
- IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments (effective for annual periods beginning on or after 1 July 2010)

The effect of the new standards and interpretations are not expected to result in a material adjustment to the financial statements

### **1.2 Critical accounting estimates and judgements**

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reporting amount of expenses during the year. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. IFRS also require management to exercise its judgement in the process of applying the company's accounting policies.

The prime areas involving a higher degree of judgement or complexity, where assumptions and estimates are significant to the financial statements, are as follows:

#### **Impairment of intangible assets**

Determining whether intangible assets are impaired requires an assessment of whether there are any indications that their carrying value is not recoverable.

# CELTIQUE ENERGIE WEALD LIMITED

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2010 (continued)

### 1.3 Oil exploration expenditure

All licence acquisition, exploration and appraisal costs incurred are initially capitalised in respect of each identifiable project area. These costs, which are classified as intangible fixed assets are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not reached a stage which permits reasonable assessment of the existence of economically recoverable reserves (the "successful efforts" basis). Pre-licence project costs are expensed immediately. Other costs are written off unless commercial reserves have been established or the determination process has not been completed. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences the accumulated costs for the relevant area of interest are transferred from intangible assets to tangible assets and depreciated by reference to the estimated quantity of reserves at the end of the period plus production during the year.

### 1.4 Deferred taxation

Deferred tax is recognised on all differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred 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. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

### 1.5 Foreign currency translation

Monetary assets and liabilities denominated in other currencies are translated into US Dollars at the rates of exchange ruling at the balance sheet date. Transactions in other currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income statement.

## 2 Loss on ordinary activities before taxation

2010  
\$

The loss on ordinary activities is stated after charging  
Auditors' remuneration

1,879

## 3 Segmental analysis

### *Business segments*

The group's only business segment is the exploration for and development of oil reserves.

### *Geographical segments*

An analysis of loss from operations and net assets by geographical area is given below.

2010  
\$

Loss from operations  
Europe

21,432

Net assets by location  
Europe

279,270

# CELTIQUE ENERGIE WEALD LIMITED

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2010 (continued)

### 4 Directors and employees

The company has no employees other than the directors. No emoluments were received by the directors in the period.

The average number of employees during the period was 3 including the directors.

### 5 Tax on loss on ordinary activities

	2010 \$
Loss for the year	(21,432)
Loss for the year multiplied by standard rate of UK corporation tax 28%	(6,001)
Effect of Losses carried forward	<u>6,001</u> <u>-</u>

The company has estimated losses of \$21,432 available to carry forward against future trading profits.

A deferred tax asset has not been recognised in respect to these losses due to the uncertainty of future profit streams. The contingent deferred tax asset is estimated to be \$6,001.

### 6 Intangible fixed assets

	2010 Exploration and appraisal expenditure \$
<b>Cost</b>	
Transferred from parent company	283,521
Additions	50,586
Cost share contributions	(122,817)
Apportioned staff costs	119,200
At 31 March 2010	<u>330,488</u>
<b>Net book value</b>	
At 31 March 2010	<u>330,488</u>

### 7 Trade and other receivables

	2010 \$
Other receivables	<u>272,630</u>

**CELTIQUE ENERGIE WEALD LIMITED****NOTES TO THE ACCOUNTS  
FOR THE PERIOD ENDED 31 MARCH 2010 (continued)****8 Trade and other payables**

	<b>2010</b>
	<b>\$</b>
Trade payables	7,065
Other payables	1,879
Payables to related parties (note 12)	615,545
	<u>624,489</u>

**9 Share capital**

	<b>2010</b>
	<b>No.</b>
<b>Authorised</b>	
400,000 ordinary shares of £1 each	<u>400,000</u>
	<b>2010</b>
	<b>\$</b>
<b>Allotted, called up and fully paid</b>	
200,000 ordinary shares of £1 each	<u>300,702</u>

The company allotted 200,000 of ordinary £1 shares for an aggregate consideration of \$300,702 during the year as follows

<b>Date of issue</b>	<b>Price per share</b>	<b>Number of shares</b>	<b>Aggregate consideration \$</b>
23 October 2009	£1 00	1,000	1,555
10 March 2010	£1 00	199,000	299,147

These share issues took place in order to raise capital to fund exploration activity and licence applications for the company

On 4 May 2010, a further 200,000 ordinary shares of £1 each were allotted, called up and fully paid at a price per share of £1 00 for total consideration of \$290,600

**10 Transactions with directors**

No director had, during or at the end of the year, a material interest in any contract which was significant in relation to the company's business

**11 Control**

The parent company is Celtique Energie Petroleum Limited, a company incorporated in England and Wales

The ultimate parent company and controlling party is ACP Celtique Holdings LLC, a company incorporated in the USA



**CELTIQUE ENERGIE WEALD LIMITED**

**NOTES TO THE ACCOUNTS  
FOR THE PERIOD ENDED 31 MARCH 2010 (continued)**

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**12 Related party transactions**

Four licences were assigned to the company by its parent at cost value in the period. The parent company also recharged staff costs of \$119,200 to the company in the period. As at 31 March 2010, \$615,545 was owed to the parent company.