

GREEN PARK SEQUESTRATION LLP
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2010

LLP Number OC317321

THURSDAY



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COMPANIES HOUSE

GREEN PARK SEQUESTRATION LLP

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GREEN PARK SEQUESTRATION LLP

MEMBERS' REPORT FOR THE PERIOD ENDED 5 APRIL 2010

PRINCIPAL ACTIVITIES

The principal activity of the Partnership during the period was the trading of carbon dioxide emissions allowances and the management of the Partnership's interest in Environmental Energy Corporation, a global reforestation company

DESIGNATED MEMBERS

The following designated members have held office during the year

- Carbon Capital Ltd
- P Ropner
- A Page
- Carbon Trading Investors 1 Ltd (CTI 1 Ltd)
- Carbon Trading Investors 2 Ltd (CTI 2 Ltd)

On 2 June 2009 P Ropner ceased to be a designated member, being replaced by A Page

On 11 December 2009 Carbon Capital Ltd and Adam Page ceased to be designated members, being replaced by Carbon Trading Investors 1 Ltd (CTI 1 Ltd) and Carbon Trading Investors 2 Ltd (CTI 2 Ltd) respectively

MEMBERS' DRAWINGS AND CAPITAL

All trading profits will be distributed in the accounting period to the members pro rata to their respective subscriptions. Such distributions will be made after allowing for the ongoing requirements of the business shown in the annual budget and after the settlement of any and all historic liabilities previously disclosed as contingent.

MEMBERS' RESPONSIBILITIES

Company law requires the members to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing those financial statements, the partnership is required to

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

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the partnership and to enable the firm to ensure that the financial statements comply with the Companies Act 2006. The members are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EXCEPTIONAL ITEM

The 490,000 shares held in Environmental Energy Corporation have been revalued at zero following the failure of that company to extend the working capital financing facility required

GREEN PARK SEQUESTRATION LLP

MEMBERS' REPORT

FOR THE PERIOD ENDED 5 APRIL 2010 (continued)

to allow its continuance as a going concern. On 20 February 2010, the Supreme Court of Bermuda appointed certain individuals within KPMG as provisional liquidators. Formal liquidation is expected to take some time, but there is not expected to be any recovery for shareholders.

ADDITIONAL FUNDING AND CHANGE OF ADMINISTRATION

In September 2009 Carbon Capital Limited, having failed to raise additional funding from members to fund the ongoing administration, indicated its intention to resign its various roles and positions associated with managing the Carbon Trading Partnerships. A steering committee of members was subsequently formed and a proposal was sent to all members seeking funding and support for members to take over the management role. This proposal received in excess of 91% support from members. The steering committee worked together with Carbon Capital Limited to ensure a smooth transition and by mid December 2009 the change was executed.

The new administrative arrangements comprise three entities, all of which are wholly owned equally by the partnership and the other 37 Carbon Trading Partnerships. These are Carbon Trading Investors 1 Ltd and Carbon Trading Investors 2 Ltd which act as designated members for each of the Carbon Trading Partnerships and Carbon Trading Services Procurement Ltd which acts as a procurement company for all external services that are required in the administration of the Carbon Trading Partnerships.

As part of the transition described above, Members advanced a loan to the partnership of £20,042 to fund future expenditure.

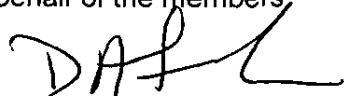
CRIMINAL ENQUIRY

We draw your attention to the Prior Period Adjustment note set out in last year's accounts. HMRC's criminal enquiry is still ongoing. Certain individuals related to the setting up and running of the scheme have now been formally charged and it is possible further charges may yet be brought against other individuals. The case is unlikely to be determined until 2011 at the earliest. Until the case has been determined and all related facts are made public we reserve our right to review the appropriate accounting treatment of transactions contained within prior periods.

SMALL LLP PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 (as applied to limited liability partnerships by regulation 3 of the Limited Liability Partnership Regulations 2008) relating to small limited liability partnerships.

On behalf of the members



Carbon Trading Investors 1 Ltd

Registered office
Suite 8
80 High Street
Winchester
SO23 9AT

Approved by the members on 22nd December 2010

GREEN PARK SEQUESTRATION LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2010**

	Note	2010 £	2009 £
TURNOVER	2	7,794	1,886
Cost of sales		(109)	(778)
GROSS PROFIT		7,685	1,108
Administration expenses		(6,703)	(27,678)
OPERATING PROFIT (LOSS)		982	(26,570)
Exceptional items			
Net income from sale of assets		-	174,253
Provision for loss on disposal of fixed asset investment		(294,000)	-
PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST		(293,018)	147,683
Interest receivable		38	228
PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(292,980)	147,911
Tax on profit (loss) on ordinary activities		-	-
PROFIT (LOSS) FOR THE FINANCIAL PERIOD BEFORE MEMBERS' REMUNERATION CHARGED AS AN EXPENSE		(292,980)	147,911
Members' share of profits (losses) charged as an expense	9	292,980	(147,911)
PROFIT (LOSS) FOR THE FINANCIAL PERIOD AVAILABLE FOR DISCRETIONARY DIVISION AMONGST MEMBERS		-	-

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains or losses other than those dealt with in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

GREEN PARK SEQUESTRATION LLP

BALANCE SHEET AT 5 APRIL 2010

LLP Number OC317321

		2010		2009	
	Note	£	£	£	£
FIXED ASSET INVESTMENTS	4		-		294,000
CURRENT ASSETS					
Stock	5	29		33	
Debtors	6	4,701		320	
Cash at Bank		22,248		13,201	
		<u>26,978</u>		<u>13,554</u>	
CREDITORS. Amounts falling due within one year	7	12,404		-	
		<u></u>		<u></u>	
NET CURRENT ASSETS			14,574		13,554
			<u></u>		<u></u>
NET ASSETS ATTRIBUTABLE TO MEMBERS			14,574		307,554
			<u></u>		<u></u>
REPRESENTED BY:					
Equity					
Members' capital			1,694,011		1,694,011
Other reserves			(1,679,437)		(1,386,457)
			<u></u>		<u></u>
TOTAL EQUITY			14,574		307,554
			<u></u>		<u></u>
TOTAL MEMBERS' INTERESTS					
Members' other interests			14,574		307,554
Net amounts due to (from) Members			12,402		(2)
			<u></u>		<u></u>
TOTAL MEMBERS' INTERESTS	10		26,976		307,552
			<u></u>		<u></u>

GREEN PARK SEQUESTRATION LLP

BALANCE SHEET AT 5 APRIL 2010 (continued)

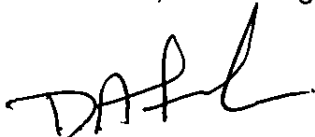
The members are satisfied that the LLP is entitled to exemption from the provisions of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008 (the Act) relating to the audit of the accounts for the year by virtue of section 477

The members acknowledge their responsibilities for

- i) ensuring that the LLP keeps adequate accounting records which comply with section 386 of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008, and
- ii) preparing accounts which give a true and fair view of the state of affairs of the LLP as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008 relating to accounts, so far as applicable to the LLP

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008 relating to small LLPs and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the members and authorised for issue on 22nd December 2010, and are signed on their behalf by



Carbon Trading Investors 1 Ltd
Designated Member
LLP Number OC317321

The notes on pages 7 to 11 form part of these financial statements

GREEN PARK SEQUESTRATION LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2010

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same accounts

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in March 2006 (SORP 2006)

(b) Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value

(c) Impairments

The carrying amounts of the partnership's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

(d) Other reserves

To the extent that the partnership has generated trading losses which are not recoverable from members these are carried forward as a debit balance on other reserves. Future profits will be credited against these losses.

(e) Foreign exchange

Transactions in foreign currencies are translated at the rate ruling on the date of the transaction.

(f) Members' participation rights

Members' participation rights are the rights of a member against the partnership that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the partnership are analysed between those that are, from the partnership's perspective, either a financial liability or equity, in accordance with FRS 25 (IAS 32) Financial Instruments: Disclosure and Presentation and UITF abstract 39 Members' shares in co-operative entities and similar instruments. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the partnership.

GREEN PARK SEQUESTRATION LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2010 - continued

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the partnership has an unconditional right to refuse payment to members. If the partnership does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the partnership does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities in the Balance Sheet.

Conversely, where profits are divided only after a decision by the partnership or its representative, so that the partnership has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Profit and Loss Account and are equity appropriations in the Balance Sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the partnership has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the Balance Sheet within 'Loans and other debts due to members' and are charged to the Profit and Loss Account within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the Balance Sheet within 'Members' other interests'.

(g) Going concern

The members have prepared the partnership's accounts on a going concern basis, which they believe to be appropriate as they consider that the partnership will be able to meet its liabilities as they fall due at least for the next year.

2. TURNOVER

The limited liability partnership's turnover represents the value, excluding value added tax, of goods and services supplied to customers during the period.

All turnover arose in the United Kingdom.

3. FEES PAYABLE TO DESIGNATED MEMBER

	2010 £	2009 £
Fees paid under management agreement (Some fees have been treated as contingent per note 8)	-	25,410
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GREEN PARK SEQUESTRATION LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2010 - continued

4. FIXED ASSET INVESTMENTS

Other investments other than loans

	2010 £	2009 £
Balance brought forward	294,000	-
Investments made during the period	-	294,000
Less impairment of investment	(294,000)	-
Balance carried forward	<u>-</u>	<u>294,000</u>

The 490,000 shares held in Environmental Energy Corporation have been revalued at zero following the failure of that company to extend the working capital financing facility required to allow its continuance as a going concern and the appointment of provisional liquidators

5. STOCK

	2010 £	2009 £
Carbon credits for resale	29	33
	<u>29</u>	<u>33</u>

6. DEBTORS

	2010 £	2009 £
Trade debtors	-	-
Other debtors	4,701	320
	<u>4,701</u>	<u>320</u>

Other debtors include the following amounts due from members

Balance of initial investment	2	2
	<u>2</u>	<u>2</u>

GREEN PARK SEQUESTRATION LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2010 - continued

7. CREDITORS: Amounts falling due within one year

	2010 £	2009 £
Trade creditors	-	-
Other creditors	12,404	-
Accruals	-	-
	<hr/>	<hr/>
	12,404	-
	<hr/>	<hr/>
Other creditors include the following amounts due to members		
Balance of financing not expended on running costs (see note 8 below)	12,404	-
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8. CONTINGENT LIABILITIES

The partnership has reached an agreement with two of its creditors, Curzon Capital Limited and Carbon Capital Limited, whereby certain balances due from the partnership to them have been made contingent on the partnership receiving sufficient surplus cash out of future income streams and/or VAT recoverable from prior periods to cover those liabilities. The timing and certainty of those cash flows are accepted by all parties to be unknown. At 5th April 2010 the total such contingent liability was £42,116 (2009 £24,609) comprising Curzon Capital Limited £28,515 (2009 £20,328) and Carbon Capital Limited £13,601 (2009 £4,281).

In addition, Members have agreed that the repayment of any part of the loans made by them to the Partnership already expended on the Partnership's behalf by Carbon Trading Services Procurement Ltd will also be made contingent on the partnership receiving sufficient surplus cash out of future income streams, Member contributions and/or VAT recoverable from prior periods to cover those liabilities. At 5th April 2010 the total such contingent liability was £7,638.

9. MEMBERS' SHARE OF PROFITS (LOSSES) CHARGED AS AN EXPENSE

Members' share of profits (losses) charged as an expense for the year ended 5th April 2010 was (£292,980) (£147,911 profit for the year ended 5th April 2009).

There was an average of 49 Members in the year ending 5th April 2010 (49 in the year ending 5th April 2009).

The average Members' share of profits (losses) per Member was, therefore, (£5,979) in the year ending 5th April 2010 (£3,019 average profit in the year ending 5th April 2009).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2010 - continued

10. MEMBERS' INTERESTS

	<u>Members' other interests</u>			Net	
	Members' capital £	Members' other reserves £	Total members' other interests £	Amounts due to Members £	Total £
Balance at 6 4 09	1,694,011	(1,386,457)	307,554	(2)	307,552
Net financing from Members	-	-	-	12,404	12,404
Balance at 05 04 10 before losses	1,694,011	(1,386,457)	307,554	12,402	319,956
Loss for the year	-	(292,980)	(292,980)	-	(292,980)
Balance at 05 04 10	<u>1,694,011</u>	<u>(1,679,437)</u>	<u>14,574</u>	<u>12,402</u>	<u>26,976</u>

11. ULTIMATE CONTROLLING PARTY

No individual Member has overall control of the LLP