

A²+B_®

SENERGY LIMITED
(Company Number SC273506)

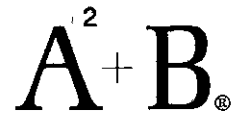
ABBREVIATED ACCOUNTS

31 MAY 2006



Anderson Anderson & Brown
Chartered Accountants

SENERGY LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES



Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether or not applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and,
- (d) prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985. They are 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.

INDEPENDENT AUDITORS' REPORT TO SENERGY LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 8 together with the full accounts of the company prepared under Section 226 of the Companies Act 1985 for the year ended 31 May 2006

Respective responsibilities of the directors and auditors

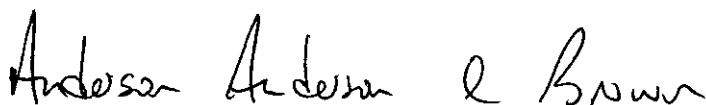
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts and whether or not the abbreviated accounts have been properly prepared in accordance with those provisions.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion on the abbreviated accounts

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 May 2006 and the abbreviated accounts on pages 3 to 8 have been properly prepared in accordance therewith.



Anderson Anderson & Brown
Chartered Accountants
Registered Auditors
Aberdeen

20 March 2007

SENERGY LIMITED

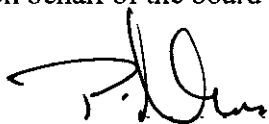
ABBREVIATED BALANCE SHEET 31 MAY 2006

A²+B[®]

	Note	2006 £	Restated 2005 £
FIXED ASSETS			
Tangible assets	2	1,020,674	2,128
Investments	3	10,291,213	6,626,731
		<u>11,311,887</u>	<u>6,628,859</u>
CURRENT ASSETS			
Debtors		4,968,043	588,898
Cash at bank and in hand		942,891	249,763
		<u>5,910,934</u>	<u>838,661</u>
CREDITORS <i>amounts falling due within one year</i>		<u>4,840,244</u>	<u>802,100</u>
NET CURRENT ASSETS		<u>1,070,690</u>	<u>36,561</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,382,577</u>	<u>6,665,420</u>
CREDITORS <i>amounts falling due after more than one year</i>		<u>10,460,735</u>	<u>6,592,904</u>
		<u>£ 1,921,842</u>	<u>£ 72,516</u>
CAPITAL AND RESERVES			
Called up share capital	4	6	6
Profit and loss account		1,921,836	72,510
SHAREHOLDERS' FUNDS		<u>£ 1,921,842</u>	<u>£ 72,516</u>

The accounts have been prepared in accordance with the special provisions at Part VII of the Companies Act 1985 applicable to small companies

Signed on behalf of the board of directors



Director – P Neve



Director – D W Sherrard

20-3-07.

Date

1 ACCOUNTING POLICIES

(a) *Basis of accounts preparation*

The accounts are prepared under the historical cost convention and in accordance with the applicable accounting standards

(b) *Group accounts*

The accounts present information about the company as an individual undertaking and not about the group, as the company has taken advantage of the exemption conferred by Section 248 of the Companies Act 1985, as amended, not to prepare group accounts on the basis that the group is a medium sized group

(c) *Investments*

Investments are stated at cost less any provision for diminuation in value

(d) *Depreciation*

The cost of fixed assets is depreciated over the expected useful life of the assets as follows

Furniture and fittings	33% reducing balance
------------------------	----------------------

(e) *Deferred taxation*

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise

(f) *Pensions*

The company contributes to a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme

(g) *Foreign currencies*

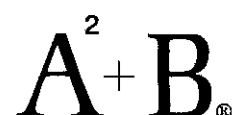
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date

All differences are taken to the profit and loss account

SENERGY LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS 31 MAY 2006

**1 ACCOUNTING POLICIES (continued)****(h) Leasing commitments**

Rentals paid under operating leases are charge to income over the term of the lease

2 TANGIBLE FIXED ASSETS

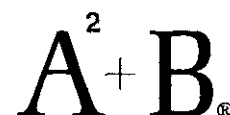
	£
COST OR VALUATION	
At 1 June 2005	2,200
Transferred from subsidiaries	1,340,226
Additions	564,992
Disposals	(133,016)
	<hr/>
At 31 May 2006	1,774,402
	<hr/>
DEPRECIATION	
At 1 June 2005	72
Transferred from subsidiaries	718,351
Charge for year	160,883
Relating to disposals	(125,578)
	<hr/>
At 31 May 2006	753,728
	<hr/>
Net book amounts at	
31 May 2006	<hr/> £ 1,020,674 <hr/>
31 May 2005	<hr/> £ 2,128 <hr/>

3 INVESTMENTS *represent an interest in subsidiary undertakings as follows*

	2006 £	2005 £
COST OF SHARES		
At 31 May 2005	6,626,731	6,626,731
Additions	3,664,482	
	<hr/>	<hr/>
At 31 May 2006	£ 10,291,213	£ 6,626,731
	<hr/>	<hr/>

SENERGY LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS 31 MAY 2006

**3 INVESTMENTS** *represent an interest in subsidiary undertakings as follows (continued)*

Details of the principal investments in which the company holds 20% or more of the nominal value of any class of share capital is as follows

The subsidiary undertakings at 31 May 2006 were

<i>Name</i>	Reservoir Management (Holdings) Limited
<i>Country of incorporation</i>	Scotland
<i>Holding</i>	Ordinary shares
<i>Nature of business</i>	Dormant
<i>Proportion of shares held</i>	100%
<i>Aggregate capital and reserves</i>	£ 4,172,327

<i>Name</i>	Xcavo Limited
<i>Country of incorporation</i>	Scotland
<i>Holding</i>	Ordinary shares
<i>Nature of business</i>	Dormant
<i>Proportion of shares held</i>	100%
<i>Aggregate capital and reserves</i>	£ 3

<i>Name</i>	Reservoir Management Sdn Bhd
<i>Country of incorporation</i>	Malaysia
<i>Holding</i>	Ordinary
<i>Nature of business</i>	Supply of geo science and petroleum engineering consultancy services
<i>Proportion of shares held</i>	90%
<i>Aggregate capital and reserves</i>	RM 2,143,540
<i>Profit for year</i>	RM 1,098,060

Investment held directly by Reservoir Management (Holdings) Limited

<i>Name</i>	Reservoir Management Limited
<i>Country of incorporation</i>	Scotland
<i>Holding</i>	Ordinary
<i>Nature of business</i>	Dormant
<i>Proportion of shares held</i>	100%
<i>Aggregate capital and reserves</i>	£ 385,666

The prior year investment cost has been restated to correct the treatment of dividends received

Additions in the current year represent the hive up of the Reservoir Management (Holdings) Limited investment in Reservoir Management Limited. On 1 June 2005 the entire trade and assets of the subsidiaries were transferred to Senergy Limited at their book values

SENERGY LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS 31 MAY 2006

A²+B[®]

3 INVESTMENTS *represent an interest in subsidiary undertakings as follows (continued)*

On 1 June 2005 the entire trade and assets of Reservoir Management (Holdings) Limited, Reservoir Management Limited and Xcavo Limited were transferred to Senergy Limited at their book value. No adjustment has been made to the carrying value of the company's investment in the subsidiaries. This represents a departure from accounting principles which require assets to be written down to the lower of cost and net realisable value. If an adjustment had been made, it would require a write off in relation to the subsidiaries through the profit and loss account. As there has been no overall loss to the group because the trade and assets are retained within the group, the directors consider that this policy is necessary in order that the accounts may give a true and fair view.

4 CALLED UP SHARE CAPITAL

Authorised: 100,000 Ordinary shares of £0.01 each

£ 1,000

Allotted, called up and fully paid: 600 Ordinary shares of £0.01 each

£ 6

5 SECURITY

The company's bankers hold a bond and floating charge over the assets of the company.

The company is part of a group banking facility and there is a cross guarantee with its holding company and subsidiaries. The group borrowings are £3,267,865.

6 PRIOR YEAR ADJUSTMENT

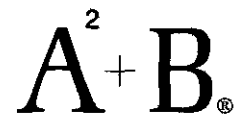
The prior year profit and loss account and balance sheet have been restated to correct the treatment of dividends received. The proposed dividend of £3,860,000 from Reservoir Management (Holdings) Limited in the year ended 31 May 2005 related to pre acquisition reserves and did not have the appropriate shareholder approval and supporting documentation. It has therefore been reversed through a prior year adjustment. The effect of the restatement was to decrease retained profits in the prior year by £3,860,000.

7 EVENTS AFTER THE BALANCE SHEET DATE

Post year end the investment has been transferred at net book value to the ultimate parent company, Senergy Holdings Limited.

SENERGY LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS 31 MAY 2006



8 ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Senergy (Holdings) Limited, which is registered in Scotland