

RENGEN ENERGY LIMITED

Director's Report And Financial Statements

For the year ended 31 December 2012



Company Registration No 05708401 (England and Wales)

RENGEN ENERGY LIMITED

COMPANY INFORMATION

Director	Nicholas Josefowitz
Secretary	Mark Kernohan
Company number	05708401
Registered office	121 Sloane Street London SW1X 9BW
Auditors	Kingston Smith LLP 141 Wardour Street London W1F 0UT
Business address	121 Sloane Street London SW1X 9BW

RENGEN ENERGY LIMITED

CONTENTS

	Page
Director's report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 12

RENGEN ENERGY LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The director presents his report and financial statements for the year ended 31 December 2012

Principal activities

The principal activity of the company continued to be that of developing renewable energy opportunities

Director

The following director has held office since 1 January 2012

Nicholas Josefowitz

Charitable donations	2012 £	2011 £
During the year the company made the following payments		
Charitable donations	-	300,048

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

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 then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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.

RENGEN ENERGY LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself 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



Nicholas Josefowitz

Director

20/09/2013

RENGEN ENERGY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENGEN ENERGY LIMITED

We have audited the financial statements of Rengen Energy Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 director and auditors

As explained more fully in the Director's Responsibilities Statement, the director is 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 and express an opinion on 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 director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

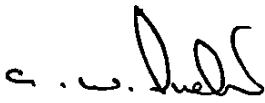
RENGEN ENERGY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF RENGEN ENERGY LIMITED

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 parent company, 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, or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report



Cliff Ireton (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

Chartered Accountants
Statutory Auditor

141 Wardour Street
London
W1F 0UT

25 September 2013.

RENGEN ENERGY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover		103,462	720,000
Administrative expenses		(685,627)	(615,093)
Operating (loss)/profit	2	(582,165)	104,907
Profit loss on sale of subsidiary		-	(1)
(Loss)/profit on ordinary activities before interest		(582,165)	104,906
Other interest receivable and similar income	3	359	-
Amounts written off investments	4	(1)	(187,063)
Interest payable and similar charges		(16)	-
Loss on ordinary activities before taxation		(581,823)	(82,157)
Tax on loss on ordinary activities	5	11,226	(27,238)
Loss for the year	12	(570,597)	(109,395)

RENGEN ENERGY LIMITED

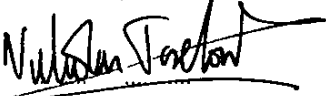
BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Intangible assets	6		-		1,307
Tangible assets	7		-		5,895
Investments	8		-		1
			-		7,203
Current assets					
Debtors	9	11,547		39,124	
Cash at bank and in hand		20,608		176,052	
		32,155		215,176	
Creditors amounts falling due within one year	10	(717,883)		(337,510)	
Net current liabilities			(685,728)		(122,334)
Total assets less current liabilities			(685,728)		(115,131)
Capital and reserves					
Called up share capital	11		1		1
Profit and loss account	12		(685,729)		(115,132)
Shareholders' funds			(685,728)		(115,131)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on

20/09/2013



Nicholas Josefowitz
Director

Company Registration No 05708401

RENGEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

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 April 2008)

These financial statements have been prepared on a going concern basis notwithstanding the loss of £570,597 for the year and net liabilities of £685,728 at the year end. The director believes the going concern basis to remain appropriate as the company continues to meet its day to day liabilities as they fall due. The ultimate controlling party and the majority shareholder will continue to provide financial support to the company for the foreseeable future and does not intend to seek repayment of his loan of £637,534 for a period not less than 12 months from the approval of the financial statements.

1.2 Conversion to UK GAAP

Rengen Energy Limited have taken advantage of amendments to the company act allowing conversion from IFRS to UK GAAP. It is considered there are no differences in accounting treatment between UK GAAP and IFRS for Rengen Energy Limited and as such the effects of conversion have not been disclosed.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	33 33% per annum straight line
Office equipment	25% per annum straight line
Office furniture and fittings	33 33% per annum straight line

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

RENGEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies (continued)

1.9 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

2 Operating (loss)/profit	2012	2011
	£	£
Operating (loss)/profit is stated after charging		
Depreciation of tangible assets	3,133	7,164
Auditors' remuneration	6,500	6,000
Director's remuneration	8,306	36,748

3 Investment income	2012	2011
	£	£
Other interest	359	-

4 Amounts written off investments	2012	2011
	£	£
Amounts written off fixed asset investments		
- permanent diminution in value	1	187,063

5 Taxation	2012	2011
	£	£
Domestic current year tax		
U K corporation tax	(5,376)	27,238
Adjustment for prior years	(5,850)	-
Total current tax	(11,226)	27,238

RENGEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

6 Intangible fixed assets

	Patents £
Cost	
At 1 January 2012	10,931
Written off against reserves	(10,931)
At 31 December 2012	-
Amortisation	
At 1 January 2012	9,624
Amortisation on disposals	(9,624)
Net book value	
At 31 December 2012	-
At 31 December 2011	1,307

7 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2012	8,697	33,147	41,844
Disposals	(8,697)	(33,147)	(41,844)
At 31 December 2012	-	-	-
Depreciation			
At 1 January 2012	4,059	31,890	35,949
On disposals	(6,957)	(32,124)	(39,081)
Charge for the year	2,898	234	3,132
At 31 December 2012	-	-	-
Net book value			
At 31 December 2012	-	-	-
At 31 December 2011	4,640	1,255	5,895

RENGEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

8 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 January 2012 & at 31 December 2012	1
Provisions for diminution in value	
At 1 January 2012	-
Charge for the year	1
At 31 December 2012	1
Net book value	
At 31 December 2012	-
At 31 December 2011	1

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Rengen Energia SRL	Italy	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2012 £	Profit/(loss) for the year 2012 £
Rengen Energia SRL	Principal activity The development of renewable energy investment opportunities within the Italian territory	-	(493,796)

During the year Rengen Energia SRL was placed into liquidation

RENGEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

9 Debtors	2012 £	2011 £
Other debtors	11,547	39,124

10 Creditors amounts falling due within one year	2012 £	2011 £
Trade creditors	60,092	24,623
Taxation and social security	-	44,033
Other creditors	657,791	268,854
	717,883	337,510

11 Share capital	2012 £	2011 £
Allotted, called up and fully paid		
1 Ordinary share of £1 each	1	1

12 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 January 2012	(115,132)
Loss for the year	(570,597)
Balance at 31 December 2012	(685,729)

RENGEN ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

13 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	2012	2011
	£	£
Operating leases which expire		
Between two and five years	-	39,680

14 Control

The ultimate controlling party is the director of the company, Nicholas Josefowitz

15 Related party relationships and transactions

During the year to December 2012, the director Nicholas Josefowitz has lent Rengen Energy Limited £387,250 (2011 - NIL) interest free. The total loan payable by Rengen Energy Limited to Nicholas Josefowitz at 31 December 2012 was £637,533 (2011 £250,283).

During the year to December 2012, Rengen Energy Limited invoiced Bright Green Investments Limited £50,000 (2011 - £360,000) for advisory fees in accordance with an exclusive advisory agreement. Additionally, during the year to December 2012, Rengen Energy Limited invoiced Bright Green Investments LLC £50,000 (2011 - £360,000). Both Bright Green Investments Limited and Bright Green Investments LLC are wholly owned by Nicholas Josefowitz.