

Company Number 6449599

ENCORE CCS LIMITED

ANNUAL REPORT

PERIOD ENDED 30 JUNE 2010

TUESDAY



ALD9CQWF

A12

18/01/2011

486

COMPANIES HOUSE

ENCORE CCS LIMITED
COMPANY INFORMATION

Directors	A Booth G Dore E Whyms J Clark
Secretary	E Whyms
Company Number	5052042
Registered Office	54 Baker Street London W1U 7BU
Auditors	PKF (UK) LLP Farringdon Place 20 Farringdon Road London EC1M 3AP
Solicitors	Dewey LeBoeuf No 1 Minster Court Mincing Lane London, EC3R 7YL

ENCORE CCS LIMITED
PERIOD ENDED 30 JUNE 2010

CONTENTS

	<u>Page</u>
DIRECTORS' REPORT	2
STATEMENT OF DIRECTORS' RESPONSIBILITIES	3
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	4
PROFIT AND LOSS ACCOUNT	5
BALANCE SHEET	6
NOTES TO THE FINANCIAL STATEMENTS	7

ENCORE CCS LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2010

The directors submit their report and the financial statements for the year ended 30 June 2010

BASIS OF PREPARATION

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

RESULTS AND DIVIDENDS

The result for the period was a loss of £948 (2009 loss £165,582) The directors do not propose the payment of a dividend

PRINCIPAL ACTIVITY, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company is dormant

P1237 43/8

EnCore CCS Limited held a 75 per cent interest in Licence P1237 The Block contained the decommissioned gas field formerly known as Forbes

In November 2008, after a thorough review of the uses of the decommissioned gas field, the Licence was relinquished All costs to date have been written off

FINANCIAL INSTRUMENTS

The Company does not actively use financial instruments as part of its financial risk management

RISKS AND UNCERTAINTIES

The Company's business is susceptible to changes in oil and gas prices, government policy and the changing political environment both in the UK and worldwide The business of exploration for oil and gas involves a high degree of risk The Company has in place a robust project approval process to mitigate these risks as far as is possible However, it remains that there can be no guarantee that exploration on current and future licences will yield commercial quantities of hydrocarbons that can be economically exploited

DIRECTORS

The directors who served during the period were

A Booth

E Whyms

G Doré

J Clark (appointed 1 October 2009)


Directors' interests in the shares of the ultimate parent company, EnCore Oil plc, are disclosed in its annual report

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

On behalf of the Board

Director


E WHYMS

26 November 2010

ENCORE CCS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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 directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. 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 THE MEMBERS OF ENCORE CCS LIMITED

We have audited the financial statements of Encore CCS Ltd for the year ended 30 June 2010 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 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

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 the company's affairs as at 30 June 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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.

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, 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

Nicholas Whitaker (Senior statutory auditor)

for and on behalf of PKF (UK) LLP, Statutory auditors

London

29 November 2010

ENCORE CCS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR TO 30 JUNE 2010

	<u>Note</u>	<u>2010</u> £	<u>2009</u> £
Impairment write down – exploration costs		-	(165,552)
Administrative expenses		(948)	(30)
		<hr/>	<hr/>
Operating loss		(948)	(165,582)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(948)	(165,582)
Taxation	4	-	-
		<hr/>	<hr/>
Loss for the financial period		(948)	(165,582)
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations

There were no recognised gains or losses for the period other than those included in the profit and loss account

ENCORE CCS LIMITED

Company number: 6449599

BALANCE SHEET AS AT 30 JUNE 2010

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
		£	£
CREDITORS			
Amounts falling due within one year	5	(204,547)	(203,599)
NET CURRENT LIABILITIES		(204,547)	(203,599)
NET LIABILITIES		(204,547)	(203,599)
CAPITAL AND RESERVES			
Called up share capital	6	100	100
Profit and loss account	7	(204,647)	(203,699)
SHAREHOLDER'S DEFICIT	7	(204,547)	(203,599)

The financial statements were approved and authorised for issue by the board on 26 November 2010

Signed on behalf of the board of directors



Director - E W Nymys

ENCORE CCS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2010

1 ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company has taken advantage of the exemption in Financial Reporting Standard 1 (revised) from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of EnCore Oil plc which prepares consolidated accounts that are publicly available

(b) Going concern

The financial statements indicate that the company had net current liabilities of £204,547 at the year end. EnCore Oil plc has confirmed its current intention to continue to provide financial support to the company to enable it to continue to trade and to settle its liabilities as they fall due for a period of at least twelve months from the date of authorisation of these financial statements

The directors have considered the above and deem it appropriate to prepare the financial statements on the going concern basis

(c) Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted

2 OPERATING LOSS

Audit fees in connection with the audit for the year ended 30 June 2010 and period ended 30 June 2009 were borne by the parent entity

3 DIRECTORS' EMOLUMENTS

The Directors did not receive any emoluments and benefits during the year to 30 June 2010 in respect of services provided to EnCore CCS Limited. Emoluments received from EnCore Oil plc are disclosed in its annual report

Other than directors, there were no employees during the period

ENCORE CCS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2010

4 TAXATION

(a) Analysis of charge in period

	<u>2010</u> £	<u>2009</u> £
Current tax charge for the period (note (b))	-	-

(b) Factors affecting the tax charge for the period

The tax assessed for the period does not reflect a credit equivalent to the loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28%. The differences are explained below

	<u>2010</u> £	<u>2009</u> £
Loss on ordinary activities before tax	(948)	(165,582)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 28%)	(265)	(46,363)
Effects of		
Capital allowances in excess of depreciation	-	(41,427)
Trading losses not recognised	265	4,936
Current tax charge for the period	-	-

At the balance sheet date the Company has a potential deferred tax asset of £57,301 (2009 £57,035) in respect of non-capital tax losses. This asset is not recognised at 30 June 2010 as there is currently insufficient evidence of future taxable profits

5 CREDITORS

	<u>2010</u> £	<u>2009</u> £
Amounts due within one year		
Amounts owed to parent undertaking	90,369	89,421
Amounts owed to group undertakings	114,178	114,178
	204,547	203,599

ENCORE CCS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2010

6 CALLED UP SHARE CAPITAL

	<u>Authorised</u> No.	£	<u>Allotted, called up and fully paid</u> No	£
Ordinary shares of £1 each				
At 30 June 2009 and 30 June 2010	1,000,000	1,000,000	100	100

All shares carry equal rights

7 SHAREHOLDER'S FUNDS RECONCILIATION

	<u>Called up Share capital</u> £	<u>Profit and Loss reserve</u> £	<u>Total</u> £
At 1 July 2009	100	(203,699)	(203,599)
Loss for the period	-	(948)	(948)
At 30 June 2010	100	(204,647)	(204,547)

8 COMMITMENTS AND CONTINGENT LIABILITIES

There are no material capital commitments or contingent liabilities at 30 June 2010

9 TRANSACTIONS WITH RELATED PARTIES

The company has taken advantage of the exemption in Financial Reporting Standard 8 not to disclose transactions with wholly owned group undertakings as voting rights are controlled within the group and consolidated accounts are publicly available

10 PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The company's immediate parent and ultimate controlling party is EnCore Oil plc, a company registered in England and Wales. This is also the parent undertaking of the largest and smallest group for which consolidated accounts are prepared and these can be obtained from 54 Baker Street, London W1U 7BU UK