Spyker Energy plc
Report and Accounts
31 December 2012

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Company information

Registration number.	07533255
Date of incorporation.	17 February 2011
Registered office.	53 Davies Street Mayfair London W1K 5JH
Directors:	W van't Spijker J Halliday
Secretary.	D Jones
Auditor.	BDO LLP 55 Baker Street W1U 7EU

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DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the period from 1 April 2012 to 31 December 2012 The comparative period is from incorporation on 17 February 2011 to 31 March 2012

Principal activities

The company's principal activity during the period was investment in oil and gas projects in Denmark and the Netherlands

Business review

During the period, the company sold its Dutch operations, realising €10 2 million The sale proceeds enabled the repayment of the convertible loans (€2 6 million), the payment of a dividend (€2 5 million) and provided funds for the continued appraisal and development of the company's Danish assets

Results and dividends

The company reports a profit of €1,500,755 for the period (period ended 31 March 2012 loss of €523,167) A dividend of €2,520,694 was paid (period ended 31 March 2012 nil)

Political and charitable contributions

The company made no political or charitable contributions during the period (period ended 31 March 2012 nil)

Directors

The directors who held office during the period and up to the date of signing the financial statements are given below

W van't Spijker

G van Ek (resigned 2 July 2012)

J Halliday (appointed 2 July 2012)

Third-party indemnity provisions

The company has purchased insurance to cover directors' and officers' liability as permitted by Section 233 of the Companies Act 2006

Going concern

The Spyker Energy group is involved in oil and gas exploration and development activities and until it is able to convert this activity into a significant revenue stream, it will be reliant upon funding from external sources for financial support

The directors have prepared the accounts on a going concern basis, which assumes the company will continue in operational existence, and will be able to meet its liabilities as they fall due, for the foreseeable future

DIRECTORS' REPORT (continued)

The validity of adopting the going concern basis for preparing the accounts depends on the company's successful raising of sufficient funds before cash is exhausted based on current group spending The group sold its interests in the Netherlands on 8 June 2012 As a consequence, the directors of Spyker Energy plc believe they have sufficient resources available to meet group commitments at least until 31 May 2014

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period 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 judgements and accounting estimates that are reasonable and prudent, and,
- 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

DIRECTORS' REPORT (continued)

Presentation of the financial statements

The company and group qualify as small in terms of sections 382 and 383 of the Companies Act 2006 The company has taken advantage of the option available to small groups under section 398 of the Companies Act 2006 not to prepare consolidated financial statements Accordingly, these financial statements present information about the company only.

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

Independent auditors

The auditors, BDO LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

This report was approved by the board on 30 May 2013 and signed on its behalf

W van't Spijker

30 May 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPYKER ENERGY PLC

We have audited the financial statements of Spyker Energy plc for the period from 1 April 2012 to 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 auditor's 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 statement of directors' responsibilities, 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 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www frc org uk/auditscopeukprivate

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 profit for the period 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPYKER ENERGY PLC (continued)

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

Scott Knight

Scott Knight (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom
30 May 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

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PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 APRIL to 31 DECEMBER 2012

	Notes	*1 April 2012 to 31 December 2012*	*17 February 2011 to 31 March 2012*
		€	€
Administrative expenses		(278,659)	(342,314)
Currency translation differences		(145,277)	38,997
		----------	----------
Operating loss		(423,936)	(303,317)
Income from shares in group undertakings		2,000,000	-
Interest receivable and similar income		8,234	-
Interest payable and similar charges	3	(83,543)	(219,850)
		------------	----------
Profit/(loss) on ordinary activities before taxation		1,500,755	(523,167)
Taxation	4	-	-
		------------	----------
Profit/(loss) after taxation		1,500,755	(523,167)
		------------	----------

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

The company has no recognised gains or losses other than those included in the profit and loss account

There is no material difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the financial periods stated above and their historical cost equivalents

The notes on pages 8 to 13 form part of these financial statements

BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	*31 December 2012*	*31 March 2012*
		€	*€*
ASSETS			
Non-current assets			
Investment in subsidiary companies	5	1,519,948	6,894,805
Current assets			
Trade and other receivables	6	10,636	42,726
Cash and cash equivalents		4,056,941	2,357,506
Total assets		**5,587,525**	**9,295,037**
EQUITY AND LIABILITIES			
Called-up share capital	9	94,257	88,477
Share premium	10	7,015,980	7,015,980
Retained deficit	11	(1,543,107)	(523,167)
Total equity	12	**5,567,130**	**6,581,290**
Liabilities			
Non-current liabilities			
Borrowings	8	-	2,431,795
Current liabilities			
Trade and other payables	7	20,395	281,952
Total liabilities		**20,395**	**2,713,747**
Total equity and liabilities		**5,587,525**	**9,295,037**

The financial statements have been prepared in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The notes on pages 8 to 13 form part of these financial statements.

The financial statements on pages 6 to 13 were approved by the board of directors on 30 May 2013 and were signed on its behalf by

J Halliday

J Halliday

Director

Registered number: 07533255

NOTES TO THE FINANCIAL STATEMENTS

1. Significant accounting policies

Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Consolidation

The company has taken advantage of the option available to small groups not to prepare consolidated financial statements Accordingly, these financial statements present information about the company only

Basis of preparation - going concern

The Spyker Energy group is involved in oil and gas exploration and development activities and until it is able to convert this activity into a significant revenue stream, it will be reliant upon funding from external sources for financial support

The directors have prepared the accounts on a going concern basis, which assumes the company will continue in operational existence, and will be able to meet its liabilities as they fall due, for the foreseeable future

The validity of adopting the going concern basis for preparing the accounts depends on the company's successful raising of sufficient funds before cash is exhausted based on current group spending The group sold its interest in the Netherlands on 8 June 2012 As a consequence, the directors of Spyker Energy plc believe they have sufficient resources available to meet group commitments at least until 31 May 2014

Convertible debt

Borrowings which carry the right or option to acquire shares in the company are initially recorded at the gross amount of cash received Subject to any default and any conversion, the loans are repayable after five years and are consequently recorded as long-term debt

Interest on convertible debt

Interest is accrued as specified in the loan agreements

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse Deferred tax assets are only recognised to the extent they are regarded as recoverable

Cash flow statement

The company qualifies as a small-sized company and heads a small group under the Companies Act criteria Consequently, the company is not required to prepare a cash flow statement under FRS 1 (Revised), "Cash flow statements"

NOTES TO THE FINANCIAL STATEMENTS

1. Significant accounting policies (continued)

Investments

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

Foreign currency translation

The financial statements are presented in Euros, the presentation currency of the parent company

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 translated at the rate of exchange ruling at the balance sheet date All differences are taken to the profit and loss account

2. Directors' emoluments

	Period ended December 2012 €	*Period ended March 2012 €*
Sums paid to third parties for a director's services	110,513	158,172

3. Interest payable and similar charges

	Period ended December 2012 €	*Period ended March 2012 €*
Interest payable on convertible debt	83,543	123,871
Anti-dilution waiver fees	-	95,979
	83,543	219,850

4. Taxation

	Period ended December 2012 €	*Period ended March 2012 €*
Tax on profit/(loss) on ordinary activities	-	-

NOTES TO THE FINANCIAL STATEMENTS

4. Taxation (continued)

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	Period ended December 2012	*Period ended March 2012*
	€	*€*
Profit/(loss) on ordinary activities before taxation	1,500,755	(523,167)
Standard rate of corporation tax in the UK	24%	26%
Profit /(loss) on ordinary activities multiplied by the standard rate of corporation tax	(360,181)	136,023
Effects of		
- Non-taxable income	480,000	-
- Losses carried forward	(119,819)	(136,023)
Current tax charge for the period	-	-

Deferred tax

A deferred tax asset has not been recognised in respect of timing differences relating to trading losses and other timing differences as there is insufficient evidence regarding when the asset will be recovered The amount of the asset not recognised measured at the standard rate of corporation tax is approximately €234,000 (period ended 31 March 2012 €136,000) The asset will be recovered when there are future trading profits which can utilise these losses

5. Investments

	At 31 December 2012	*At 31 March 2012*
	€	*€*
Shares in group undertakings	21,648	21,648
Amounts owed by group undertakings and undertakings in which the company has a participating interest		
- S E S Holding B V	1,498,300	6,873,157
At 31 December 2012	1,519,948	6,894,805

NOTES TO THE FINANCIAL STATEMENTS

5. Investments (continued)

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

Company	Country of incorporation	Shares held Class	%	Capital and reserves €	Profit/(loss) for the period €
S E S Holding B V	The Netherlands	Ordinary	100	60,946	3,766,773
Spyker Energy ApS (held by S E S Holding B V)	Denmark	Ordinary	100	5,240,597	(30,438)

6. Trade and other receivables

	At 31 December 2012 €	*At 31 March 2012 €*
Uncalled share capital	-	42,726
Deposits	10,636	-
	10,636	42,726

7. Creditors· amounts falling due within one year

	At 31 December 2012 €	*At 31 March 2012 €*
Accruals	20,395	281,952

8. Creditors amounts falling due after one year

	At 31 December 2012 €	*At 31 March 2012 €*
Convertible loans	-	2,431,795

In August 2011, the company offered investors the opportunity to invest in a convertible loan to the company In total, €2,431,795 (£2,130,000) was raised Following the sale of the Dutch operations, the company agreed with the loan stock holders to fully repay the loans together with the accrued interest up to 15 June 2012, the date of repayment

NOTES TO THE FINANCIAL STATEMENTS

9. Called-up share capital

	Nominal value	Number	€
Ordinary shares	£0 001		
At 31 March 2012		76,821,429	88,477
Bonus issue		476,190	-
Currency adjustment		-	5,780
At 31 December 2012		77,297,619	94,257

On incorporation, the nominal value of each share was £1 On 20 April 2011, the shares were sub-divided into a nominal value of £0 001 each

All shares rank pari-passu with regard to voting, dividends, and capital distribution on winding up

10. Share premium

	€
On issue of ordinary shares	7,109,782
Share issue expenses	(93,802)
At 31 December and 31 March 2012	7,015,980

11. Retained deficit – Profit and loss account

	€
At 31 March 2012	(523,167)
Profit for the period	1,500,755
Dividend paid	(2,520,695)
At 31 December 2012	(1,543,107)

12. Reconciliation of movement in shareholders' funds

	€
At 31 March 2012	6,581,290
Ordinary shares currency adjustment	5,780
Profit for the period	1,500,755
Dividend paid	(2,520,695)
At 31 December 2012	5,567,130

NOTES TO THE FINANCIAL STATEMENTS

13 Related-party transactions

The company has made loans to subsidiary undertakings as follows

	€
S.E.S. Holding B.V.	
At 31 March 2012	6,873,157
Repayment	(5,374,857)
At 31 December 2012	1,498,300

Expenses payable in respect of related parties

		Period ended December 2012 €	Period ended March 2012 €
Spyker Energy S A S	Ultimate parent Office costs	33,015	42,845
Shining Petroleum Limited	Director's services	55,100	158,172
DFM Limited	Director's services	55,413	-

Amounts due to related parties

	At 31 December 2012 €	At 31 March 2012 €
Spyker Energy S A S	10,846	723
Smart Energy Solutions Holding N V	6,500	6,500
Shining Petroleum Limited	-	16,039
DFM Limited	3,049	-

14. Ultimate controlling party

The ultimate parent undertaking and controlling party is considered to be Spyker Energy S A S which is the parent undertaking of the smallest and largest group to consolidate these financial statements