Abbreviated Accounts
Alhazen Energy Limited

For the period ended 31 December 2012

Registered number: 07817979

Grant Thornton

Independent auditor's report to Alhazen Energy Limited

Under section 449 of the Companies Act 2006

We have examined the abbreviated accounts, which comprise the Balance sheet and the related notes, together with the financial statements of Alhazen Energy Limited for the period ended 31 December 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006 Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006 It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you

We conducted our work in accordance with Bulletin 2008/4 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 financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts which comprise the Balance sheet and the related notes have been properly prepared in accordance with the regulations made under that section

Grant Thornton UK LLP

Tracey James (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
OXFORD
Date 2 July 2013

Alhazen Energy Limited
Registered number 07817979

Abbreviated balance sheet
As at 31 December 2012

	Note	£	2012 £
Fixed assets			
Intangible assets	2		**104,174**
Tangible assets	3		**111,794**
Investments	4		**2**
			215,970
Current assets			
Debtors	5	**595,531**	
Cash at bank		**891,865**	
		1,487,396	
Creditors amounts falling due within one year		**(10,356)**	
Net current assets			**1,477,040**
Net assets			**1,693,010**
Capital and reserves			
Called up share capital	6		**18,474**
Share premium account			**1,736,548**
Profit and loss account			**(62,012)**
Shareholders' funds			**1,693,010**

The abbreviated accounts, which have 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, were approved and authorised for issue by the board and were signed on its behalf by

B T K Davis
Director

Date 1 - 7 - 2013

The notes on pages 3 to 7 form part of these financial statements

Notes to the abbreviated accounts
For the period ended 31 December 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The accounts have been prepared on a going concern basis The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months

1.3 Consolidation

In the opinion of the directors, the company and its subsidiary undertakings constitute a small group The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group accounts

1.4 Intangible fixed assets and amortisation

Intangible fixed assets represents the value attributed to the purchase of the operating lease/planning permission/grid connection in the subsidiary company and amortised over the estimated economic life

Amortisation is provided at the following rates

Intangible fixed assets	-	straight line over 25 years

1.5 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following basis

Other fixed assets	-	4% and 10% straight line

Other fixed assets represents the costs of construction of solar plants solar panels, civil/structural and electrical costs, grid connection, planning and professional fees capitalised and depreciated at 4% per annum on a straight line basis Costs of transformers, inverters and cabling are being depreciated at 10% per annum on a straight line basis

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment

Notes to the abbreviated accounts
For the period ended 31 December 2012

1. Accounting policies (continued)

1.7 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities Financial liabilities are presented as such in the Balance sheet Finance costs and gains or losses relating to financial liabilities are included in the Profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited direct to equity

1.8 Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date Deferred tax assets are recognised when it is more likely than not that they will be recovered Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date

2. Intangible fixed assets

	£
Cost	
At 20 October 2011	-
Additions	107,743
At 31 December 2012	107,743
Amortisation	
At 20 October 2011	-
Charge for the period	3,569
At 31 December 2012	3,569
Net book value	
At 31 December 2012	104,174

Notes to the abbreviated accounts

For the period ended 31 December 2012

3. Tangible fixed assets

	£
Cost	
At 20 October 2011	-
Additions	185,637
At 31 December 2012	185,637
Depreciation	
At 20 October 2011	-
Charge for the period	73,843
At 31 December 2012	73,843
Net book value	
At 31 December 2012	111,794

4. Fixed asset investments

	£
Cost or valuation	
At 20 October 2011	-
Additions	2
At 31 December 2012	2
Net book value	
At 31 December 2012	2

On 6 January 2012, the company acquired 100% of the ordinary share capital of Free Power for Schools 6 Limited, a company incorporated in England and Wales with capital and reserves at 31 December 2012 of £10,248 in deficit and a loss for the period ended 31 December 2012 of £10,249

On 1 May 2012, the company acquired 100% of the ordinary share capital of Free Power for Schools 17 Limited, a company incorporated in England and Wales with capital and reserves at 31 December 2012 of £1,006 in deficit and a loss for the period ended 31 December 2012 of £1,007

5. Debtors

Included within other debtors is £0 02 of unpaid share capital

Notes to the abbreviated accounts

For the period ended 31 December 2012

6. Share capital

	2012 £
Allotted, called up and fully paid	
1,847,392 B Ordinary shares of £0 01 each	**18,474**
20 Deferred shares of £0 01 each	**-**
	18,474

Upon incorporation on 20 October 2011, the company issued 2 Ordinary shares of £0 10 each, which were converted into 20 Deferred shares of £0 01 each on 10 November 2011

On 10 November 2011, the company issued 1,000,000 B Ordinary shares for £1 per share The difference between the cash received and the nominal value, being £990,000, has been credited to the share premium account Arrangement fees of £50,000 have been deducted from the balance on share premium

On 10 November 2011, the company issued 800,000 B Ordinary shares for £1 per share The difference between the cash received and the nominal value, being £792,000, has been credited to the share premium account Arrangement fees of £40,000 have been deducted from the balance on share premium

On 13 January 2012, the company issued 47,392 B Ordinary shares for £1 per share The difference between the cash received and the nominal value, being £46,918, has been credited to the share premium account Arrangement fees of £2,370 have been deducted from the balance on share premium

Arrangement fees were paid to a related party, Octopus Investments Limited, as disclosed within the related party transactions note to the financial statements

Deferred shares included within share capital are shares which remain dormant with no rights attached until such time as the company is sold and the deferred shareholders are entitled to participate in the sale proceeds above a pre-agreed target

Notes to the abbreviated accounts

For the period ended 31 December 2012

7. Related party transactions

During the period, the company was charged £21,677 and £21,532 in respect of project development costs, monitoring fees and rechargeable expenses respectively by Lightsource Renewable Energy Limited, a related party due to its significant influence over the entity Advance payments totalling £35,000 were made to Lightsource Renewable Energy Limited in respect of the development of the pipeline At the period end, a net payment on account of £129,928 was outstanding which is included in the trade debtors Lightsource Renewable Energy Limited is the holder of the deferred shares in issue

In the period ended 31 December 2012, arrangement fees of £92,370 were charged by Octopus Investments Limited, a related party due to its significant influence over the entity Octopus Investments Limited also recharged legal fees totalling £3,516 and monitoring fees totalling £556 to the company At 31 December 2012, £619 was outstanding which is included in trade creditors

During the period the company met expenditure of £159,951 and received revenue £19,262 on behalf of its wholly owned subsidiary company, Free Power For Schools 6 Limited The company also charged interest of £17,490 to Free Power For Schools 6 Limited At the period end, a total of £158,397 is included within debtors

During the period the company met expenditure of £225,955 and received revenue £13,166 on behalf of its wholly owned subsidiary company, Free Power For Schools 17 Limited The company also charged interest of £22,751 to Free Power For Schools 17 Limited At the period end, a total of £244,207 is included within debtors