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Sent: Thursday, August 10, 2023 2:12 PM
To: Mallia Sarah 1 at Parlament-MT <sarah.mallia.1@parlament.mt>
Subject: Your Communication with Companies House, Ref: TKT4390826X

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From: sarah.mallia.1@parlament.mt

Sent: Thursday, August 10, 2023 11:34 AM

Cc: carabottdarren@gmail.com, anna.brincat@parlament.mt

Subject: Request for information

To whom it may concern,

I am writing on behalf of the Public Accounts Committee (PAC) of Malta.

Please see attached letter.

Kind regards,

Sarah Mallia

Senior Principal

t: +356 25596310e:

sarah.mallia.1@parlament.mt |

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PARLIAMENT OF MALTA

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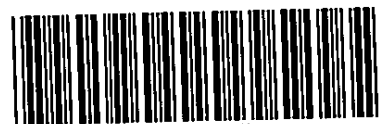
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Gasol Plc

**Annual report and financial statements
for the year ended 31 March 2013**

Registered number 05350159

MONDAY



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COMPANIES HOUSE

Gasol Plc

Officers and Professional Advisors

Country of incorporation and domicile	United Kingdom
Legal form	Public Limited Company
Directors	Rilwanu Lukman Non-Executive Chairman Alan Buxton Chief Operating Officer Ewen Wigley Executive Director Haresh Kanabar Non-Executive Director Paul Biggs Non-Executive Director Fassine Fofana Non-Executive Director
Company secretary & registered office	Miles Thomas 40 New Bond Street London, W1S 2RX
Company number	05350159
Nominated advisor and broker	Panmure Gordon (UK) Limited One New Change London, EC4M 9AF
Accountants	Whale Rock Accounting Limited 15 Basinghall Street London, EC2V 5BR
Auditor	BDO LLP 55 Baker Street London, W1U 7EU
Solicitors	K & L Gates LLP One New Change London, EC4M 9AF
Registrars	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands, B63 3DA

Gasol Plc

Highlights

Operational

- Corporate objectives were further developed over the last 12 months,
- Board strengthened by the appointments of Dr Rilwanu Lukman as the new non executive chairman and Fassine Fofana as a non executive director,
- Joint venture agreement signed with Societe BenGaz S A, (“Bengaz S A”) for the establishment of a JV company (to be named “Cogaz”) and the distribution and sale of natural gas in Benin,
- Memorandum of Understanding (“MoU”) signed for Cogaz to supply gas to Communaute Electrique du Benin (“CEB”), the electric authority for both Benin and Togo,
- Option Agreement signed for the acquisition of African Power Generation Limited (“AfGen”), which has an existing pipeline of Liquefied Natural Gas (“LNG”) Import Projects,
- Strategic alliance formed between AfGen and Dredging International to support the LNG Import Project in Benin,
- MoU between AfGen and Ghana National Gas Company Ltd (“GNGC”) to establish a joint venture to source natural gas for distribution into Ghana,
- Strategic alliance agreement signed with Socar Trading S A (“STSA”) in relation to Gasol’s proposed LNG Import Project in Benin

Financial

- £1 million of new funds raised from African Gas Development Corporation Limited (“AGDC”), Gasol’s largest shareholder, as part of a £2.5 million convertible loan facility, all subsequently repaid,
- Successful restructuring of the Company’s share capital through a 50 into 1 consolidation of existing shares,
- Roll-over of the existing £694,000 convertible loan facility,
- Successful placement of £13.2 million (\$20 million) bond facility with institutional investors,
- £670,825 (\$1 million) in new funds in the form of a convertible loan from STSA

Gasol Plc

Highlights

Progress against our strategy

Source Gas Reserves

Gasol is seeking to develop its own gas reserves for the future.

Gasol PLC ("Gasol") has entered into a Cooperation Agreement with Afren plc ("Afren") to develop the gas reserves in Afren's fields. Afren will offer the gas supplies to Gasol on a first priority basis for gas projects. This activity is concentrated around Nigeria, which has substantial proven reserves of associated and non-associated gas, estimated at 182 trillion cubic feet ("tcf") of high grade quality gas.

Gasol also intends to purchase stranded gas assets in Nigeria and other countries along the Gulf of Guinea.

Progress

- Continued cooperation with Afren plc to progress the development of Afren's gas reserves off the coast of Nigeria. Gasol has rights of first refusal to monetise and market these reserves, which are located very near to the West African Gas Pipeline ("WAGP").
- Research activities and preliminary due diligence with respect to a number of opportunities to acquire interests in off-shore gas reserves in the region.

Supply Gas and LNG:

Gasol aims to purchase gas and, where possible, supply that gas into the WAGP for use in west Africa.

Prior to commercialisation of its own gas resources, Gasol aims to develop gas markets in west Africa through LNG import projects. These projects involve Gasol acquiring LNG, and arranging for it to be shipped to a target market where it can be stored and regasified in Floating Storage and Regasification Units ("FSRUs"). The regasified gas can then be delivered to the WAGP for use in west Africa or delivered directly to power plants or other industrial users.

Progress

- Strategic alliance with STSA to source LNG for the Benin LNG Import Project and the company's other development efforts.
- Developed relationships with two vessel owners with the capability to supply vessels for Gasol's Floating Storage Unit ("FSU") / FSRU projects, including the development of heads of terms for charter arrangements.
- Established relationships with leading LNG producers and suppliers.
- Worked with a leading LNG producer and supplier to complete a technical audit of the Benin LNG Import Project to confirm the suitability of the project's design for ship to ship LNG transfers.

Gasol Plc

Highlights

Develop Gas Infrastructure:

Gasol is actively pursuing several projects to assist national gas companies in West Africa with the development of their gas distribution networks.

The aim is to encourage the use of gas for industrial and power generation purposes and to make gas more widely available to the general public

Progress

- Formation by Gasol and BenGaz SA of the Cotonou Gas Joint Venture Company, called CoGaz SA, which will focus on the development of gas distribution within Benin and the sale of gas to the electricity board and other industrial users.
- Gasol is seeking to raise grants and other funding for the extension and modernisation of local gas distribution networks and infrastructure
- Option agreement signed with AGDC for the acquisition of infrastructure developer, AfGen, by Gasol

Power Generation:

Gasol intends to acquire equity positions in the power plants to which it supplies gas.

The objectives of these investments are to encourage the growth of gas-fired generation in west Africa, to substitute liquid fuel use and to use Gasol's influence in the power project to cement its position as gas supplier to the project

Progress

- Developed relationships with two highly reputable developers of gas fired power projects with interests in developing projects in west Africa
- Due diligence review of investment opportunities for power stations in West Africa

Gasol Plc

Highlights

Market demand and benefits

Gasol has been pursuing an interim gas supply solution through the provision of regasified LNG. The Company aims to sign gas sales agreements for regasified LNG to develop a gas market prior to substituting natural gas for LNG.

Important Alliance with STSA

With the value of a single LNG cargo exceeding \$40 million, it is important to have a trading partner with the resources necessary to get the best prices possible.

Time need to convert an old LNG carrier to an FSRU

FSRU

Gasol's business plan relies on getting the gas to market as quickly as possible. However, new built FSRUs require 24–30 months to complete so Gasol's technical staff has focused on finding faster solutions such as converting older LNG carriers, which takes only 14–18 months, or designing a separate re-gasification barge that can be paired with an available LNG carrier, which then acts as a FSU.

Gas Pipeline

Gasol is the first company to apply to the owners of WAGP to become a shipper of gas under the pipeline's new open access policy.

Power plant

Gasol continues to look for opportunities to invest in power plants for purposes of providing the capital needed to convert the plant to gas firing.

BENIN

LNG Import Basin to be constructed in 18-21 months after financial close.

WAGP

The pipeline will distribute gas from the Benin LNG Import Project to Benin, Togo, Ghana and, if extended, the Cote d'Ivoire.

Gasol Plc

Highlights

TIMELINE

2012

August

Gasol secures £2.5 million convertible loan facility, including £1 million of new funds for the Company

August

Gasol agrees option to acquire AfGen

September

Gasol agrees joint venture with BenGaz SA of Benin for the sale and distribution of gas in Benin

September

Gasol's share capital is successfully restructured

October

Gasol signs MOU with CEB for the purchase of re-gasified LNG from the Benin LNG Import Project

December

Gasol formalises joint venture with BenGaz to be called "CoGaz"

December

Strategic alliance with Socar Trading S.A. for the sourcing of LNG for Gasol's projects and lease of floating storage and re-gasification facilities

2013

January

BBH extends convertible loan facility

February

AfGen's strategic alliance partner, Dredging International, begins to assist with the Benin LNG Import Project

February

Gasol's affiliate, AfGen, signs MOU with GNGC to explore ways to source and distribute gas in Ghana,

March

Gasol named "Midas" investment tip in Daily Mail

March

Gasol agrees £13.2 million (\$20 million) bond facility with institutional investors

Gasol Plc

Highlights

March

Gasol receives £670,825 (\$1 million) convertible unsecured loan from STSA

May

Fassine Fofana joins Board of Directors

August

Dr Rulwanu Lukman appointed as new Chairman

Environmental and Social Responsibility

Over the past twelve months, Gasol has made significant strides in establishing environmental and social standards appropriate for the Group's increased business activities. These efforts have led to a number of accomplishments:

- Gasol has a new Environmental and Social Policy (updated from the 2007 version)
- An Environmental and Social Impact Assessment for the LNG Import project in Benin has been commissioned, this assessment will be fully compliant with the Equator Principles and the International Finance Corporation Performance Standards on Environmental and Social Sustainability
- The Company has implemented a Clean Development Mechanism strategy

The impact of these changes will apply to all projects under development and the Company will be monitoring their performance to assess the effectiveness of these initiatives.

Environmental & Social Policy

In implementing the Company's vision of becoming the leading supplier of natural gas for power generation and industrial uses in West Africa, Gasol has taken steps to mitigate the environmental and social impacts of its business activities. Gasol is committed to ensuring that people are not harmed by its business activities, that the environment around its projects is safeguarded and that all of the Company's social commitments are satisfied. Gasol recognises that

“...our future activities and projects can have an impact on both the environment and a wide community of stakeholders, including investors, employees, partners and local communities and that appropriate attention to the fulfilment of our corporate responsibilities can enhance overall company performance.”

To achieve this, Gasol has adopted a systematic, risk-based approach to all of its environmental and social expectations and, reflecting the level of importance with which the Company views its obligations, has assigned the ultimate responsibility of the Company's Environmental & Social Policy to the Gasol Board of Directors.

At the project level, responsibility of the implementation of the Policy will rest with the senior project manager, however, all individuals engaged in a specific project will have a responsibility to be aware of the potential environmental and social risks of the project and to help reduce these risks at the locations where they work. Going forward, all social, ethical and environmental matters will be subject to continual review by the Gasol Board.

Environmental and Social Impact Assessment – Benin LNG Import Project

As part of the implementation of the Benin LNG Import Project, an ESIA has been commissioned that will be fully-compliant with the Equator Principles and the IFC Performance Standards on Environmental and Social Sustainability. This will help make the ESIA one of the most rigorous and comprehensive of its kind in West Africa, which will safeguard the project's value from an environmental, social and ethical perspective, as well as from an investment point of view.

The Canadian consultancy, Roche Consulting, has been engaged on behalf of the project to carry out the ESIA. Roche were selected both for their significant level of expertise in environmental and social impact studies in West Africa and for their previous environmental survey work in the Cotonou port area, the proposed site for Gasol's LNG Import facility.

Clean Development Mechanism Strategy

Recognising the value of promoting fuel switching to cleaner burning natural gas, Gasol has increased its activities in the CDM sector. The Company recently engaged URS Corporation (“URS”) to assist in drafting a new strategy and to carry out an assessment of the Company's portfolio of projects in order to determine the potential value of the portfolio in terms of CDM monetisation.

Gasol Plc

Environmental and Social Responsibility

The brief that we gave URS covered three main deliverables

- Estimate CDM value, determine feasibility and draft initial plan where necessary for each project
- Assist in the development of Gasol's own CDM network of financing partners and off-takers
- Assist in drafting Gasol's CDM strategy and linking it with the Company's core activities

In addition to potentially enhancing Gasol's project financing capabilities, our CDM strategy ties in strongly with our commitment to safeguarding the environment by promoting the use of cleaner burning gas over liquid fuels. The estimates show that, if our forecasted volumes for replacing liquid fuels with natural gas are met, Gasol's LNG Import Project alone will reduce CO₂ emissions in the region by over 2 million tonnes per annum. Reduced emissions lead to a cleaner environment for the communities living in the areas we the Company serves and will thus help improve the quality of life of local inhabitants.

Although the progress made in the past year has been substantial, Gasol's goal is to build on these accomplishments as it brings its first projects to completion. The Company's future in this respect looks most encouraging, and Gasol will stay focused so it can realise the full benefits of its efforts in the areas of environmental and social activities.

Fossil fuel emissions levels

Pounds per billion Btu of energy input

Pollutant	Natural gas	Oil	Coal
Carbon dioxide	117,000	164,000	208,000
Carbon monoxide	40	333	208
Nitrogen oxides	92	448	457
Sulfur dioxide	1	1,12	2,591
Particulates	7	84	2,744
Mercury	0.000	0.007	0.016

Source: EIA – Natural Gas Issues and Trends 1998

2 million tonnes

Annual reduction in CO₂ emissions that could be achieved from Benin LNG project

Natural Gas offers a cleaner source of fuel for power generation and industrial applications. Emissions of carbon monoxide, nitrogen oxides, sulfur dioxide and particulates are substantially reduced when gas is substituted for coal or liquid fuels.

4.52/tonnes

June spot price of EU Emissions allowances

At EUR 4.52/tonne, potential for up to **EUR 9 million** could be monetised from Benin LNG project

Gasol Plc

Environmental and Social Responsibility

‘LNG to power’ strategy is on track

Gasol is very excited about its project to import LNG into Benin through the Port of Cotonou. As proposed, the LNG will be re-gasified in a newly constructed LNG basin near the entrance to the Port and injected into the West African Gas Pipeline (WAGP) via a newly constructed sub-sea lateral pipe. The WAGP will transport the natural gas to the project’s off-takers in Benin, Togo and Ghana.

Negotiations are proceeding satisfactorily with the Government of Benin in respect of the concession for the LNG basin, with the West African Gas Pipeline Co. (“WAPCO”), the owners of WAGP, in respect of the interconnection with the WAGP and with potential lenders to secure the financing commitments necessary to implement the project. The Company intends to focus on bringing this project to financial close as quickly as possible.

FSU and Re-gasification Barge

Gasol plans to moor a FSU in the new basin and to install the associated re-gasification and compression facilities on a barge that will be moored alongside the FSU. The FSU will be a converted LNG carrier capable of supplying re-gasified natural gas at a rate of up to 430 mmscf/d. The FSU will be resupplied on a regular basis by LNG carriers via ship-to-ship transfers in the protected basin. The placement of the re-gasification facility on a barge rather than the FSU saves time and expense by avoiding the need to engineer and integrate the re-gasification equipment into the existing structure of the FSU.

WAGP

Access to the WAGP is an important part of the project plan.

The re-gasified LNG will be injected into the WAGP via a new subsea pipeline that will run from the LNG basin, to the WAGP, which is approximately 15 kilometres off shore.

Gasol has applied to WAPCO under its new open access policy to become a shipper on the WAGP and is currently in negotiations with WAPCO to finalise the commercial and technical issues regarding the project’s connection to the pipeline and the capacity in the WAGP that will be reserved for the project’s use.

LNG Sourcing

LNG for the project is expected to be sourced by the trading division of Gasol’s strategic partner, STSA. STSA has been working closely with several suppliers to secure the best prices for the project.

Gas Sales

The gas produced by the project is expected to be sold to power generators and industrial users in Benin, Togo and Ghana under long term gas sales agreements. Gasol is currently in negotiations to conclude firm off-take contracts for the Benin and Togo markets. The Company is also working with AfGen to secure an arrangement for sales into Ghana.

Project Benefits

- This project will establish the first adequate and reliable supply of natural gas for Benin and Togo and will provide Ghana with a significant increase in the supply of gas available for its consumption.
- The gas will displace the use of liquid fuels (diesel, HFO, avgas) in power generation and industrial applications in these countries substantially reducing generating costs.
- Natural gas is a cleaner, less expensive fuel compared to liquid fuels and offers significant economic and environmental benefits for all three countries.

430mmscf/d

Expected production capacity of the Benin LNG Import Project

Gasol Plc

Environmental and Social Responsibility

100,000 tonnes

Estimated amount of rock required to construct breakwater to project FSU and allow ship to ship LNG transfers.

Gasol Plc

Chairman's statement

I am pleased to have joined Gasol at a time when significant positive steps in implementing its strategy for the supply of natural gas and liquefied natural gas ("LNG") have been taken. In the past year, Gasol has advanced its business strategy by developing a pipeline of projects that progresses its mandate to deliver gas to western Africa. The Company has made major steps to take advantage of opportunities that presented themselves during the year and has a clear focus on bringing one or more of its projects to financial close as smoothly and efficiently as possible. It has also secured significant financing in order to develop its outlined strategy to support initial development work.

Our vision

Gasol's vision is to supply gas to gas constrained markets, where liquid fuels are currently being used for power generation. Domestic gas reserves offer the most cost effective fuel for power generation and industrial use, but developing these reserves requires substantial capital investment, which can take several years to structure and put in place. During this development period, Gasol can deploy its floating LNG solution. The re-gasified LNG is still less expensive than diesel and other liquid fuels and the early availability of gas allows local gas distribution networks to develop so that they are ready when the domestic reserves come on line. When the domestic gas becomes available, Gasol will have the option to relocate its floating storage and re-gasification unit ("FSRU") to another country or remain in place as a back-up gas supply to ensure energy security, an advantage which a land based LNG facility does not have.

Economic environment

The positive fundamental factors underpinning gas markets that were set out in the prior year's Chairman's statement continue to hold true. Energy security, balanced energy portfolios and the replacement of older, polluting generating equipment with new, clean burning gas fired equipment continue to be at the forefront of most government energy policies in Africa. As a result, the demand for gas remains strong in the medium term.

The demand for new power generating capacity in Africa is also well established and will continue to grow for the foreseeable future. The biggest obstacle to increasing the electricity supply in most countries is the high cost of purchasing liquid fuels for generation. High cost fuel results in high cost electricity and local utilities often need to use their limited resources to subsidise the cost of electricity to the general public instead of investing in much needed additional generating capacity. With the ability to offer lower cost gas to replace liquid fuels, Gasol continues to find opportunities to invest in the power generation sector and to secure gas supply agreements with local utilities.

The most difficult economic factor to assess continues to be the price of LNG in the medium term. Spot LNG prices, particularly in Asia, have started to soften slightly after the spikes caused by the 2011 earthquakes in Japan, but prices remain at historic highs. However, downward pressure on LNG prices are foreseeable due to the start of LNG exports from Australia and the construction of the first LNG export facility in the United States, which will allow the LNG market to tap North America's substantial shale gas reserves. These changes should result in lower spot market prices for LNG and more competitive rates for long and medium term LNG supply agreements.

Gasol Plc

Chairman's statement

Target markets

Gasol's primary target market continues to be west Africa. The ongoing supply constraints in Nigeria mean that gas exports in the region remain minimal and 2012 saw little in the way of new discoveries of gas reserves on the west coast of Africa. Therefore, many west African governments are continuing to consider LNG import projects, where Gasol's strategy to concentrate on floating storage and regasification solutions remains very competitive.

In addition to West Africa, Gasol has also looked for potential opportunities in other locations where floating LNG solutions could be especially effective. Many of these opportunities can be found in countries that are in the early stages of developing their own domestic sources of gas.

Building relationships

Building trustworthy relationships is an essential element of Gasol's business plan and is an area in which the Company has had a particularly strong year. The management team has worked hard to identify and develop relationships with key participants in the LNG and power sectors, including engineering advisors, environmental consultants, construction service providers and equipment suppliers. On the financial side, Gasol has sought to establish relationships with development finance institutions and commercial banks. These early relationships will be refined and cultivated and will become part of a seamless development process that can be deployed quickly and efficiently in any gas constrained location.

One of the highlights of the year was the Company's strategic alliance with STSA, which is part of one of the world's largest oil companies with assets in excess of \$20bn. STSA's financial strength complements Gasol's technical expertise and STSA will provide key support for Gasol's projects by acting as the primary lessee for the FSRUs, which will be subleased to Gasol's project companies. STSA's substantial resources will provide comfort to third parties that the project companies will be able to meet their lease obligations under the FSRU charters.

Gasol is also working closely with its affiliate, AfGen, to take advantage of its network of key suppliers of goods and services. By working with trusted suppliers, Gasol is able to move ahead with the development of its projects with more confidence. The Company has recently agreed with AGDC to extend the period for exercise of its option to acquire the entire issued share capital of AfGen by 6 months to 24th February 2014.

Benin LNG Import Project

Significant progress in Gasol's project in Benin has been made. When completed, the project will be capable of injecting a substantial volume of gas per day into the WAGP for distribution to Benin, Togo and Ghana. Gasol is currently in negotiations to conclude firm off-take contracts for the Benin and Togo markets. The Company is also working with AfGen to secure an arrangement for sales into Ghana.

Negotiations are also proceeding satisfactorily with the Government of Benin in respect of the concession for the LNG import facility, with the WAPC in respect of the interconnection with the WAGP and with potential lenders to secure the financing commitments necessary to implement the project. The Company intends to focus on bringing this project to financial close as quickly as possible.

In addition to the Benin project, Gasol has three to four additional projects in development and the Company intends to make specific announcements regarding these opportunities as they mature.

Gasol Plc

Chairman's statement

Annual General Meeting

I am pleased to report that the reorganisation of the Company's capital structure approved at the last Annual General Meeting was successfully implemented and has allowed the Company to raise additional funds for its development activities

Financial results

Many of the projects that Gasol is considering are capital intensive with long lead times until revenue generation. In addition, Gasol's financial statements reflect the increased development activity this year that was needed to give form to the Company's vision for gas to power projects. However, until the first project reaches operation, the Group remains without a material source of income. For the financial year ended 31 March 2013, the loss after tax for the financial year is £4,030,308, equating to a loss per share of 13 pence (2012 loss £1,991,582, equating to a loss per share of 8 pence), which principally represents the administrative and technical assistance costs of undertaking project development.

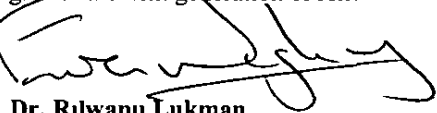
Net cash expenditure on operating activities during the year was £3,492,781 (2012 £1,481,661). The primary reason for the increased expenditure this year was the Company's transition to active project development, which is reflected in the increased expenditure for staff costs as further staff have been recruited, aborted transaction costs and legal and professional fees for securing financing and developing relationships with its alliances. Whilst management continues to monitor all costs closely, we are now investing in resources to bring our projects to completion and these increased costs will be reflected in the 2014 financial accounts.

Outlook

I would like to take this opportunity to thank my predecessor, Cornelia Meyer, for her service to the board and to Gasol. I am very pleased that Cornelia has agreed to continue with Gasol as a strategic advisor to the Company and to lend her experience and advice going forward.

We believe that Gasol's LNG to power strategy will meet the requirements of governments in west Africa. The Company's success in attracting superior alliance partners and the speed with which it has secured the rights to the Benin project have placed the Company in an excellent position to transition from a development company to a revenue earning operating company.

I look forward to seeing our first projects reach completion and to making Gasol an African gas champion providing gas for the next generation of Africans.



Dr. Rilwanu Lukman

Non-Executive Chairman

28 August 2013

Gasol Plc

Chief Operating Officer's Statement for the year ended 31 March 2013

Progress

I recently had a meeting with a major oil company and was delighted at the name recognition that Gasol has achieved in just one year. The executive I met with not only knew the Gasol name, but he also congratulated me on the progress that Gasol had made with its project in Benin.

Over the past year, the Company has made substantial progress in turning its concept of delivering re-gasified LNG to west Africa into reality. The achievement of a number of major commercial milestones over the last 12 months means that Gasol, working in conjunction with AfGen, now has all the significant pieces of the jigsaw under way in order to complete its first project and deliver re-gasified LNG to the Port of Cotonou, in Benin. These milestones can be summarised as follows:

- Joint Venture Agreement with Bengaz SA, who will act as Gasol's local partner in Benin. Bengaz have been instrumental in progressing local aspects of the Benin Project, particularly the Concession Agreement for the port area at Cotonou where the LNG storage vessel will be located.
- Strategic Alliance with STSA for the delivery of energy management services to the Benin Project. STSA is a wholly owned subsidiary of the State Oil Company of Azerbaijan ("SOCAR"), and has significant ambitions to establish itself as a major trader of LNG, as well as gas and power. The alliance with STSA gives Gasol three pillars to support its development of the Benin project: the reliable delivery of LNG, the lease of a LNG storage vessel and the lease of a bespoke re-gasification barge designed to meet the requirements of the WAGP.
- Support from Dredging International for the design and construction of a breakwater at the entrance to the Port of Cotonou and for the dredging of an anchorage basin formed by the breakwater (to 15 metres). Dredging International is a strategic alliance partner of AfGen and a subsidiary of the Belgian company, DEME, which is in turn owned by Vinci of France. Dredging International had previously been selected by the Cotonou Port Authority, after competitive tender, to undertake dredging works at the entrance of the harbour and to construct an additional breakwater at the port, which gave them an unassailable advantage in vying for the construction works that Gasol requires at Cotonou. Gasol has been able to realise significant savings in both time and cost because Dredging International already have teams mobilised at the port. A Design & Build Contract is currently being negotiated with Dredging International and its local affiliate, Sogea Satom, for the construction works.
- MoU with the Communauté Electronique du Benin, the electricity authority for Benin and Togo, to supply 60mmscfd of gas for their power plant requirements. We are now in the progress of negotiating a full Gas Sales Agreement with the CEB.
- MoU between AfGen and GNGC, the state owned gas champion for Ghana. The MoU provides for the creation of a joint venture company, which will acquire gas from a number of sources, including the Benin LNG Import Project, and act as a supplier of local gas, as well as re-gasified LNG, to power plants and industrial users in Ghana.
- Positive reception from WAPCO, the management company of the WAGP, for Gasol's application for reserved capacity to ship re-gasified LNG through the WAGP under their new open access regime.
- Appointment of Royal Haskoning DV as Owner's Engineer for the Project.
- Appointment of Roche as environmental consultant to undertake the Environmental & Social Impact Assessment for the Project.

**Chief Operating Officer's Statement
for the year ended 31 March 2013**

Funding

Gasol's achievements in respect of commercial matters were matched in respect of its achievements in financial matters. We were pleased to be able to make significant funding announcements in March of this year, including

- £13.2 million (\$20 million) unsecured bond. The bond has been placed with institutional investors, has a 3 year term and an interest rate of 10 per cent. The bond was listed on the Dublin Stock Exchange on 21 August 2013, thereby eliminating costs related to the imposition of withholding tax on interest payments.
- £670,825 (\$1 million) convertible unsecured bond with STSA. The bond has a 2 year term and is convertible in the second year, at the lower of 18p and the (90 day VWAP) of Gasol shares prior to conversion.
- Gasol repaid the £2.5 million convertible loan outstanding from its major shareholder, AGDC.

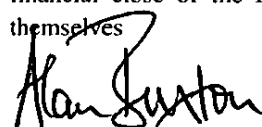
In addition, Gasol rolled over the convertible loan provided by BBH to 31 December 2013.

In order to advance the current projects Gasol will require further funding. Further information regarding going concern is provided in Note 1 to these financial statements.

Management and Staff

Gasol management and staff have all made significant contributions to the Company's progress this year. I have made as a company and I am proud of what we have been able to achieve in a relatively short period of time. I thank everyone at Gasol for their commitment and the personal sacrifices they have made.

The challenge for the new year is to turn that progress into something concrete by achieving commercial and financial close of the Benin Project, and to be ready to tackle new LNG-to-power opportunities that present themselves.



Alan Buxton
Chief Operating Officer

Chief Operating Officer's Statement for the year ended 31 March 2013

Q&A with the COO

Alan Buxton answers some frequently asked questions about Gasol's future focus

If we focus on LNG for a moment, tell us a bit about Gasol's activities in the LNG business in West Africa .

For our LNG Import Projects, we will enter into contracts for the purchase of the LNG. That's why the recent announcement of our strategic alliance with SOCAR Trading, the trading arm of the State oil Company of the Azerbaijan Republic, is so important. I don't feel the market has quite grasped the importance of that alliance.

Socar provides two significant components for Gasol's projects: a reliable LNG supply and the provision of leased gas storage facilities and leased gas re-gasification facilities. With Gasol securing the necessary port concessions and gas sales agreements with local utilities, raising the financing needed to implement projects will become much easier. This alliance is a major step forward for Gasol.

If we were to produce a map of West Africa highlighting Gasol's operations/activities, could you tell us which countries you are active in and what kind of operations you have in those areas?

Our business is to supply gas to markets that are gas constrained. This market characteristic prevails as you travel up the West African coastline – Benin, Togo, Ghana, Cote d'Ivoire, Liberia, Sierra Leone, Guinea, Senegal, Mauritania. This is the market that we are concentrating on.

How does Gasol plan to overcome the challenges posed by market conditions in west Africa?

You need to have an extremely focussed, motivated developer like Gasol to develop projects in this region. West Africa has its challenges and perhaps a larger multinational might have relegated an LNG Import project in Benin down its list of projects into the "too difficult" category and developed a project elsewhere because it was easier.

You also need the support of development banks, which are a key factor in raising financing for projects in the region. Development banks understand that a reliable, continuous supply of gas will kick-start power generation and industrial projects in west Africa and can transform local economies and provide enormous benefits for the region. These banks have a mission to foster this type of economic transformation. By being part of the debt structure for a project, the development banks send a positive message to other potential lenders that the project is worth considering.

In addition, the insurance arms of development banks play a key role by providing credit enhancement for the obligations of the gas off-takers so that other debt providers can get comfortable that the project will receive payments on time.

Looking to the future, if further action could be taken to unlock Africa's energy potential, what do you think it would take?

This is exactly Gasol's raison d'être – we are unlocking Africa's energy potential by supplying gas to gas constrained markets, providing gas which is significantly cheaper to burn in power plants than liquid fuels. Gasol is the catalyst!

Directors' Report for the year ended 31 March 2013

The Directors' present their annual report on the affairs of the Group, together with the financial statements and auditor's report for the year ended 31 March 2013

Principal activities of the business

The principal activity of the Group is the supply of natural gas and LNG to power projects and other industrial users in west Africa and other gas constrained regions

Business review and future developments

A review of the Group's operations and future developments is set out in the Chief Operating Officer's ("COO") report

Key performance indicators

Key performance indicators include

- Meeting articulated milestones on existing project opportunities
- Control of costs to budgets
- Identifying and securing gas assets
- Delivery of binding strategic alliances and project development agreements
- Securing finance to support business development activities
- Exploration of regional gas monetisation projects with shorter lead times

The above key performance indicators are monitored by the Board to ensure that they are progressing as planned in a timely manner. At this stage the Board is confident that these targets are being met.

As discussed in the Chairman and COO statements, Gasol continues to develop its strategy to supply of natural gas and LNG to power projects and other industrial users in Africa.

Principal risks and uncertainties

The activities of the Group are subject to a number of risks, if any of these risks were to materialise, the Group's business financial condition and results of future operations could be materially adversely affected. The principal risks are as follows:

- Insufficient gas: whilst the gas reserve potential of the Gulf of Guinea is well known, it may not be possible for the Group to gain access to suitable fields or economically viable to exploit them if the costs of extraction are too high or reserve levels are too low to justify investment in gas transportation or processing facilities.
- Securing viable projects: The Group does not presently carry on any trading activities directly or through any subsidiaries. The Group is dependent upon acquiring and developing LNG import and power projects that meet the Board's investment strategy. The Group cannot guarantee that it will be able to identify or develop appropriate projects meeting the objectives for which it has been established. The Group may spend some of its available funds on investigating potential projects that are subsequently rejected as being unsuitable.
- Cost of project: the cost of projects varies widely according to demand and geographic location. Project costs such as pipelines, LNG plants, regasification facilities, ships and power generation equipment, may be difficult to predict, all of which if increased will have a negative impact on the economics of a project.

**Directors' Report
for the year ended 31 March 2013**

- Funding the business of the Group currently represents a mix of early stage opportunities and defined projects and these opportunities may lead to large capital intensive long-term projects which it is anticipated will not generate revenue for several years. As a result, the Group is likely to be required to raise significant capital in the future. There is no assurance that it will be able to raise such capital when it is required or that the terms associated with providing such capital will be satisfactory to the Group.
- Political, regulatory and economic instability in the future: the Group will be exposed to various levels of political risk and regulatory uncertainties including government regulations, policies or directives relating to exploration, foreign investors, restrictions on production, price controls, export controls, income and other taxes, nationalisation or expropriation of property, partner carry, repatriation of income, royalties and environmental legislation.
- Volatility of market price of LNG: The market price of LNG is volatile at times and is affected by numerous factors beyond the Group's control. These include geological and seismic factors, global and regional economic and political events, international economic trends, as well as a range of other market forces. Sustained upward movements in LNG prices could render less economic, or uneconomic, any of the development projects to be undertaken by the Company.
- Other risks: Other risks arise from the inability to insure certain political and commercial risks, the inability to obtain appropriate legal redress in some overseas jurisdictions, environmental conditions beyond the control of the Group, demands for timely project delivery and the ability to maintain Gasol's desired level of equity in the projects.

Going concern

The Directors have prepared these financial statements on a going concern basis. The Directors acknowledge that further funding will be required within 12 months. Further details can be found in Note 1.

Results and dividends

The results of the Group for the year ended 31 March 2013 are set out on page 34.

The Directors do not recommend payment of a dividend for the year (2012: £nil).

Gasol Plc

Directors' Report for the year ended 31 March 2013

Directors

The names of individuals who served as Directors of the Company from 1 April 2012 are as follows

Name of Director

Haresh Kanabar	
Ewen Wigley	
Paul Biggs	
Alan Buxton	
Rilwanu Lukman	(appointed 1 August 2013)
Cornelia Meyer	(appointed 1 August 2012 and resigned 1 August 2013)
Fassine Fofana	(appointed 1 May 2013)
Osman Shahenshah	(resigned 26 July 2012)

Directors' remuneration and Directors' interests

Details of the Directors' remuneration and their interests in the equity share capital of Gasol are set out in the Report of the Remuneration Committee on pages 27 to 30

Related Party transactions

Details of related party transactions are contained in note 23 to the consolidated financial statements

Financial instruments and treasury policy

Information on the Group's use of financial instruments and management of financial risks is discussed in note 21 to the consolidated financial statements

Creditor payment policy

The Group has no formal code or standard which deals specifically with the payment of suppliers. However, the Group's policy on the payment of all creditors is to ensure that the terms of payment, as specified and agreed with the supplier, are not exceeded. The average credit period taken for trade purchases is 46 days (2012: 35 days).

Share capital

In settlement of a convertible loan obligation, 100,000,000 ordinary shares were issued during the year ended 31 March 2013 (2012: 414,803,287).

On the 21 September 2012 there was a further issue of 29 shares and a consolidation of the existing 1,619,692,550 0.5p ordinary shares on the basis of 1 Interim Ordinary share of 25p for every 50 existing ordinary shares. This resulted in a new total shareholding of 32,393,851 25p shares.

On the same day each Interim Ordinary share was split into one New Ordinary share worth 0.5p and one deferred share of 24.5p. The deferred shares were subsequently cancelled on the 24 September 2012 as the company bought back these shares. The accounting for the cancellation of the 32,393,851 deferred shares has been reflected in the capital redemption reserve.

During the year there was a share based payment resulting in an issue of 1,117,837 shares as consideration for consulting services. See note 17 for further details of shares issued during the year.

Gasol Plc

Directors' Report for the year ended 31 March 2013

Substantial shareholdings

As at the date of this report, so far as the Directors are aware, the only persons who are directly or indirectly interested in 3% or more of the nominal value of the Company's ordinary share capital are as follows

	Number of ordinary shares held	Ordinary shares as % of issued share capital
African Gas Development Corporation Limited	22,014,019	65.7%
Afren Plc	4,528,427	13.5%
Synergy Asset Management Limited	1,500,000	4.5%

Charitable and political donations

No charitable or political donations were made during the year (2012: £nil)

Disclosure of information to auditors

So far as each Director at the date of approval of this report is aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all steps that he or she ought to have taken to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

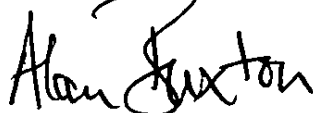
Auditor

BDO LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Recommendation

The Board considers that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and it is their unanimous recommendation that shareholders support them.

On behalf of the Board of Directors



Alan Buxton
Chief Operating Officer

28 August 2013

Gasol Plc

Board of Directors

The Board of Directors comprises of

Dr. Rilwanu Lukman (75) Chairman and Non-Executive Director

Dr Rilwanu Lukman, BSc, Eng D, KBE, Legion d'Honneur, has more than 40 years of experience in the energy industry, and has relevant relationships at the most senior levels around the world. He has served as Secretary General of OPEC, President of OPEC, Nigerian Minister of Petroleum Resources, Special Adviser to the President of Nigeria for Oil and Gas, Nigerian Minister of Foreign Affairs, Nigerian Minister of Mines and as Honorary Advisor on Energy and Strategic Matters to the President of Nigeria.

Dr Lukman is a founder of Afren and served as a Non-Executive Director from February 16, 2005 to December 2008 and additionally as its Non-Executive Chairman from November 2, 2006 to December 2008. He has previously served Gasol as a strategic advisor to the Board of Directors.

Alan Buxton (49) Chief Operating Officer

Alan Buxton joined the Board of Gasol from Standard Bank plc, where he was a Managing Director and Global Head of its Power and Infrastructure Group with responsibility for building the bank's franchise in emerging markets, including Africa, and advising clients on domestic and cross border transactions. Prior to working with Standard Bank plc, he was a core member of Royal Bank of Canada's Infrastructure Group from 2000 until 2008. He joined Royal Bank of Canada after three years at International Power plc where he led the development of new power projects, and the evaluation and acquisition of existing generating assets, in Europe, the Middle East and India.

Haresh Kanabar (55) Non-Executive Director

Mr Kanabar has over 25 years' experience in senior management of various companies and industries, including many AIM listed businesses.

He is currently Executive Chairman of International Mining & Infrastructure Corporation plc, Non-Executive Chairman of Hermes Pacific Investments plc, and Director of Aurum Mining plc, Armstrong Ventures plc, Tulpar Gold plc, Venteco plc and Silentpoint Ltd. Prior to this Mr Kanabar has held a number of senior finance positions.

Haresh is a fellow of The Chartered Association of Certified Accountants.

Ewen Wigley (52) Executive Director

Ewen Wigley has more than 20 years experience in the City of London.

Prior to his recent work with both private and AIM listed companies, Ewen spent 5 years as a director of a corporate finance boutique that specialised in advising small cap companies on mergers, acquisitions and restructuring. Before that, he was at Union Plc for 15 years, latterly as Chief Operating Officer, where he gained broad experience in banking, leasing and financing.

Ewen is a Fellow of the Association of Corporate Treasurers.

Paul Biggs (47) Non-Executive Director

Paul Biggs, a project finance specialist with a focus on emerging markets, is a Senior Partner of the specialised law firm Trinity International LLP.

Gasol Plc

Board of Directors

Prior to joining Trinity, Mr Biggs was head of the Project Finance Group at Cadwalader, Wickersham & Taft LLP, and before that a partner at CMS Cameron McKenna. Mr Biggs also spent five years at the Commonwealth Development Corporation.

Fassine Fofana (53) Non-Executive Director

Fassine Fofana, has considerable experience in the mining and oil and gas industries. From 1994 to 2000, Fassiné was Minister of Mining & Energy for the Government of the Republic of Guinea, where he was responsible for setting Government policy and strategy for the mining industry.

Mr Fofana is currently Chief Executive Officer of Africa Geothermal Limited, a company developing power from geothermal energy in the Rift Valley in East Africa and Executive Chairman of Kakande Alumina Company Limited, engaged in bauxite and aluminium projects in Guinea, West Africa.

Senior Management

David Shipway (47)

Head of Upstream Gas

David Shipway worked for British Gas for 10 years, followed by 3 years with Duke Energy in Europe, as European Head of Trading and Marketing. David was a founder of KitimatLNG, which was formed to cater to the demand of exporting gas due to the huge quantities of LNG available in North America due to the shale drilling technology.

Michael Kunz (48)

Head of Power

Michael Kunz has more than 20 years' experience in the power industry, where he has focused on the structuring and financing of independent power projects (IPP) and other large infrastructure projects.

He has served as General Counsel to two IPP developers, Rolls –Royce Power Ventures Ltd. And Burmeister & Wain Scandinavian Contractor A/S. Prior to that he was in private practice for 10 years with Dewey Ballantine.

Gasol Plc

Board of Directors

Strategic Advisors.

Ethelbert J L Cooper (59) Strategic Advisor to the Board

Mr Cooper has been active in the African natural resources sector for over 25 years. During the 1980s he devised and led an initiative to restructure what, at the time, was Liberia's biggest industrial project – an iron ore mining company with capital investment of over \$600m. Mr Cooper also formed Liberia's mining parastatal, whose management, marketing and financing requirements were contracted to Mr Cooper's companies.

Mr Cooper is a founding member and Chairman of the Liberian International Development Foundation and a Founder and Director of the African's African American Foundation. Mr Cooper is also a member of the National Advisory Board of WEB Du Bois Institute of African Studies at Harvard University.

Cornelia Meyer (53) Strategic Advisor to the Board

Cornelia Meyer joined as Chairman of Gasol in August 2012. A macro-economist by training, Cornelia Meyer has wide ranging worldwide expertise in the energy, banking and manufacturing sectors. Her career began in 1990 at UBS in Tokyo, following her PhD studies at the University of Tokyo. At UBS she focused on regulatory affairs, risk, strategic management, and country risk for Asia's emerging markets. She was, concurrently, an advisor to the Hon Yoshiro Mori, Minister for International Trade and Industry.

She then held several senior positions in energy finance at GE Energy. Between 2002 and 2006, she held a number of senior roles at BP in E&P strategy and planning, special projects in Russia and Kazakhstan, and as an M&A Director responsible for BP's disposal programme and its investments in gas, power and renewables.

More recently she has acted for a range of major corporations as an independent energy expert and management consultant.

She was a Trustee of the Royal United Services Institute, Europe's pre-eminent think-tank of defence and security and led the economic part of an influential track two mechanism for Middle East security. She is currently a member of the World Economic Forum's Global Agenda Council on Energy Security.

Corporate Governance Statement for the year ended 31 March 2013

The Directors are committed to maintaining high standards of corporate governance. Whilst AIM companies are not obliged to comply with the UK's Corporate Governance Code, the Board intends, so far as is practicable given the Group's size and nature, to comply with the UK's Corporate Governance Code. The Group also intends to comply with the principles of the Corporate Governance Guidelines for AIM Companies published by the Quoted Companies Alliance in May 2013, so far as it is practical for a Group of Gasol's size.

Risk Management and Corporate Governance

The Directors have established an Audit Committee, Remuneration Committee, Investment Committee and Nominations Committee, each with formally delegated rules and responsibilities.

The Group has adopted a model code for Directors' and certain employee share dealings which the Directors believe is appropriate for an AIM quoted company. The Directors will comply with Rule 21 of the AIM Rules relating to Directors' dealings and in addition will take all reasonable steps to ensure compliance by the Group's applicable employees (as defined in the AIM Rules).

The Board of Directors

The Board of Directors is responsible for formulating, reviewing and approving the Group's strategy, budgets, major items of capital expenditure and acquisitions, and reporting to the shareholders.

The Company intends to hold at least four Board meetings throughout each year.

The Audit Committee ensures that financial reporting procedures, internal controls, corporate governance practices and risk management systems are thoroughly reviewed and adhered to, and reviews the Group's external audits. The committee comprises Paul Biggs (Chairman) and Haresh Kanabar. It will meet as appropriate and when required. The Company's external auditors are invited to attend these meetings.

The Nominations Committee is responsible for reviewing the structure, size and composition of the Board, arranging succession planning for Directors and senior executives, and nominates potential candidates to the Board. It aims to meet at least once each year and comprises Paul Biggs (Chairman) and Haresh Kanabar.

The Remuneration Committee is responsible for determining and agreeing with the Board the remuneration of the Executive, and ensuring that the Group's management team are appropriately incentivised to encourage enhanced performance. It aims to meet twice a year and comprises Haresh Kanabar (Chairman) and Paul Biggs. Further details on the Remuneration Committee are detailed in the Report of the Remuneration Committee on pages 20 to 23.

The Investment Committee is responsible for reviewing capital expenditure, project appraisals and final investment decisions. It aims to meet twice a year and comprises Haresh Kanabar (Chairman), Paul Biggs and Fassine Fofana.

Compliance with the Bribery Act

At Gasol we uphold all laws relevant to countering bribery and corruption in all jurisdictions in which we operate, including the Bribery Act 2010 which came into force on July 1 2011. In order to comply with the Bribery Act 2010, the Company engaged external professionals to advise on implementing adequate procedures, including training its staff at all levels on anti-bribery policies and communicating internally and externally its zero-tolerance approach to bribery and corruption within our business and indeed within the businesses of those we work with.

Gasol Plc

Corporate Governance Statement for the year ended 31 March 2013

Attendance at Board Meetings

Gasol Plc	Full Board	Audit Committee	Remuneration Committee	AGM
No. of Meetings	13	1	2	1
Haresh Kanabar	13	1	-	1
Ewen Wigley	13	1	2	1
Osman Shahenshah*	-	-	-	-
Paul Biggs	8	-	2	-
Alan Buxton	12	1	-	1
Cornelia Meyer	11	1	-	1
Fassine Fofana**	-	-	-	-
Rilwanu Lukman**	-	-	-	-

*Osman Shahenshah left during the year therefore was unable to be present at all board meetings

**Both Directors joined after the year end therefore was unable to be present at any of the board meetings

Internal financial control and reporting

The Board is responsible for establishing and maintaining the Group's system of internal controls and reviewing its effectiveness. The procedures, which include financial, compliance and risk management, are reviewed on an ongoing basis. The Board approves the annual budget and performance against budget is monitored and reported by the Board. The internal control system can only provide reasonable and not absolute assurance against material misstatement or loss. The Board has considered the need for an internal audit function but does not consider it necessary at the current time with the current controls in place and external accountant monitoring of processes. Gasol's financial management team is currently reviewed and approved by Alan Buxton, Chief Operating Officer.

Relations with shareholders

The Company reports to shareholders twice a year. The Company dispatches the notice of its Annual General Meeting, together with a description of the items of special business, at least 21 days before the meeting. Each substantially separate issue is the subject of a separate resolution and all shareholders have the opportunity to put questions to the Board at the Annual General Meeting. The chairmen of the Audit and Remuneration Committees normally attend the Annual General Meeting and will answer questions which may be relevant to their responsibilities.

Report of the Remuneration Committee

Statement of compliance

This report does not constitute a Directors' Remuneration Report in accordance with the Directors' Remuneration Report Regulations 2002, which do not apply to AIM-listed companies

The Group has applied the principles relating to Directors' remuneration as set out below

Remuneration Committee

The Remuneration Committee reviews the performance of the Executive Directors and sets and reviews the scale and structure of their remuneration and the terms of their service agreements with due regard to the interests of shareholders. In determining the remuneration of executive Directors, the Remuneration Committee seeks to attract and retain executives of the highest calibre. The Remuneration Committee also makes recommendations to the Board concerning the allocation of share options to employees. No Director is permitted to participate in discussions or decisions concerning his own remuneration. At the date of this document, the Remuneration Committee comprises two Non-Executive Directors and is chaired by Haresh Kanabar. The Remuneration Committee has formal terms of reference.

At the invitation of the committee chairman, Executive Directors may attend the proceedings.

None of the committee members has any personal financial interests (other than as shareholders) or conflicts of interest arising from cross-directorships that are not disclosed. The committee has access to professional advice from internal and external advisors where relevant.

The Remuneration Committee is responsible for determining the remuneration of the Executive Directors, and the grant of share options.

Policy on Executive Directors' remuneration

Remuneration packages are designed to motivate and retain Executive Directors to ensure the continued development of the Group and to reward them for enhancing value to shareholders. The main elements of the remuneration package for Executive Directors are basic salary or fees, benefits and share option incentives.

Share incentives

The Directors believe that attracting, motivating and retaining employees of appropriate calibre is vital to the continued success of the Group. The continued incentivisation of key employees is very important, as their skills and experience, and their supplier and customer relationships, are key to the continued success of the Group.

Gasol Plc

Report of the Remuneration Committee

Directors' remuneration

The remuneration of the Directors for the year ended 31 March 2013 is shown below

	2013 £	2012 £
Alan Buxton (appointed in prior year)	202,083*	22,051
Haresh Kanabar	130,000*	30,000
Ewen Wigley	164,000	144,000
Paul Biggs	30,000	30,000
Osman Shahenshah (resigned 26 July 2012)	10,000	30,000
Cornelia Meyer (appointed 1 August 2012 and resigned 1 August 2013)**	33,333	-
Fassine Fofana (appointed 1 May 2013)	-	-
Rilwanu Lukman (appointed 1 August 2013)	-	-
	569,416	256,051

A summary of remuneration is as follows

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Aggregate emoluments of Executive Directors	366,083	166,051
Payments to Non-Executive Directors	203,333	90,000
Total Directors' remuneration	569,416	256,051

There were no pension benefits accruing to Directors under defined benefit schemes in the year (2012 £nil) The aggregate emoluments for Executive Directors include £16,667 (2012 £nil) of contributions to a personal pension plan

The key management personnel of the Group are the Directors of Gasol

No Director exercised any share options during the year (2012 £nil) Details of Directors' shareholdings can be found overleaf

The highest paid Director received total emoluments in the year in respect of service of £202,083 (2012 £144,000) No termination payments for loss of office were paid during the year (2012 £nil) During the year no Directors salaries were deferred and due at the year end (2012 amounts deferred and due at year end £59,400)

* During the year Haresh Kanabar and Ewen Wigley received £100,000 (2012 £nil) and £20,000 (2012 £nil) respectively as Directors remuneration as a direct result of raising bond financing These amounts have not been disclosed in staff costs in note 6 but as a finance cost and are recognised over the term of the loan See note 15 for more details

Gasol Plc

Report of the Remuneration Committee

**** Cornelia Meyer has a service agreement for £50,000 per annum with a one month notice period**

Directors' remuneration (continued)

Gasol has purchased an insurance policy to protect Directors and Officers of Gasol in the event of any legal action being taken against them relating to the period that they hold office. In the year ended 31 March 2013, the cost of this insurance was £17,777 (2012 £18,698) and was borne entirely by Gasol

Directors' interests

The beneficial interests of the Directors in the ordinary shares of the Company at 31 March 2013 are as follows

	Ordinary shares of 0.5p each	
	At 31 March 2013	At 31 March 2012*
Alan Buxton	425,000	-
Haresh Kanabar	-	-
Ewen Wigley	5,000	5,000
Osman Shahenshah	-	-
Paul Biggs	8,276	8,276
Cornelia Meyer	-	-
Fassine Fofana	-	-

The Directors' interests in options over the equity share capital of the Company at 31 March 2013 are as follows

	At 31 March 2012*	At 31 March 2013	Exercise Price	Exercisable date varies between the following dates	
				From	To
Alan Buxton	300,000	300,000	50-150p**	21/02/2012	21/02/2022
Haresh Kanabar	60,000	60,000	50-150p**	18/01/2012	18/01/2022
Osman Shahenshah	60,000	60,000	50-150p**	18/01/2012	18/01/2022
Paul Biggs	80,000	80,000	50-150p**	18/01/2012	18/01/2022
Ewen Wigley	120,000	120,000	50-150p**	18/01/2012	18/01/2022
Cornelia Meyer	-	-	-	-	-
Fassine Fofana	-	-	-	-	-

No options were granted or lapsed in the year

*As a result of a share consolidation during the year (see note 17) the current year and comparatives have been amended to reflect the current shares issued to allow comparison between the years

** The total share options granted to each of the Directors during the previous year were issued in equal proportions between an exercise price of 50p, 100p and 150p

Gasol Plc

Report of the Remuneration Committee

The market price of the ordinary shares of the Company at 31 March 2013 was 21.25 pence (2012: 22 pence) and the range during the year was 11 pence to 40.35 pence (2012: 19.5 pence to 68 pence). As a result of a share consolidation during the year (see note 17) the comparatives have been amended to reflect the current shares issued to allow comparison between the years.

This report was approved by the Board of Directors and signed on its behalf by



Haresh Kanabar

Chairman, Remuneration Committee

28 August 2013

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 Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 Group and Company and of the profit or loss of the Group for that year. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

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,
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements, 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 Group and Company and enable them to ensure that the financial statements comply with the requirements of 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.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Auditors' Report for the year ended 31 March 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GASOL PLC

We have audited the financial statements of Gasol Plc for the year ended 31 March 2013 which comprise the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of financial position and company statement of financial position, the consolidated statement of cash flows, the company statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 group's and the parent company's affairs as at 31 March 2013 and of the group's loss for the year then ended,
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union,
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the Group's and the Company's ability to continue as a going concern. The Group and Company are dependent on successfully securing further financing. The Group currently have sufficient funding to meet their obligations as they fall due for the next 11 months. Although the Directors are confident of being able to obtain further sources of funding to enable the Group to progress projects to positive cash generation, this cannot be guaranteed and indicates the existence of a

**Independent Auditors' Report
for the year ended 31 March 2013**

material uncertainty, which may cast significant doubt on the Group's and the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

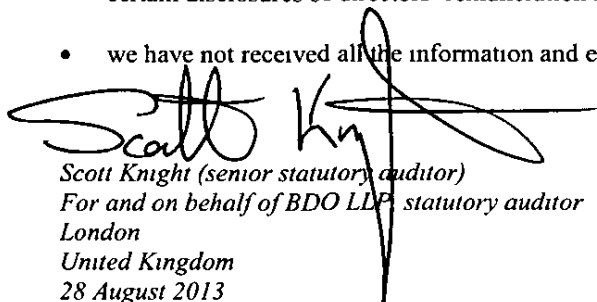
Opinion on other matters prescribed by the Companies Act 2006

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



*Scott Knight (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom
28 August 2013*

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

**Consolidated Statement of Comprehensive Income
for the year ended 31 March 2013**

		Year ended 31 March 2013 £	Year ended 31 March 2012 £
	Note		
Other operating income		68,000	68,000
Administrative expenses	5	(3,381,454)	(1,778,784)
Loss from operations		(3,313,454)	(1,710,784)
Finance income	7	14,262	1,889
Finance costs	8	(731,116)	(282,687)
Loss before tax		(4,030,308)	(1,991,582)
Income tax expense	9	-	-
Loss for the year		(4,030,308)	(1,991,582)
Loss per ordinary share			
Basic and diluted loss per share	10	(13p)	(8p)

All results relate to continuing activities

All losses and other comprehensive income for the year are attributable to equity shareholders of the parent

The notes on pages 44 to 82 form part of these financial statements

Gasol Plc

Consolidated Statement of Changes in Equity for the year ended 31 March 2013

	Share capital	Share premium	Reverse acquisition reserve	Convertible loan reserve	Capital redemption reserve	Capital contribution reserve	Translation reserve	Warrant and option reserve	Retained losses	Total equity
	£	£	£	£	£	£	£	£	£	£
At 1 April 2012	7,598,463	72,989,363	(63,104,556)	187,286	-	83,787	12,267	1,774,810	(18,832,049)	709,371
Comprehensive income										
Loss for the year	-	-	-	-	-	-	-	-	(4,030,308)	(4,030,308)
Total comprehensive income for the year ended 31 March 2013	-	-	-	-	-	-	-	-	(4,030,308)	(4,030,308)
Buy back and subsequent cancellation of shares	(7,936,494)	-	-	-	7,936,494	-	-	-	-	-
Loan conversion	500,000	-	-	(370,163)	-	-	-	-	370,163	500,000
Warrants issued on lines of funding	-	-	-	-	-	-	-	252,180	-	252,180
Credit to equity due to the convertible loan	-	-	-	182,877	-	-	-	-	-	182,877
Shares issued in relation to share options and warrants	5,589	146,447	-	-	-	-	-	-	-	152,036
At 31 March 2013	167,558	73,135,810	(63,104,556)	-	7,936,494	83,787	12,267	2,026,990	(22,492,194)	(2,233,844)

Gasol Plc

Consolidated Statement of Changes in Equity for the year ended 31 March 2012

	Share capital	Share premium	Reverse acquisition reserve	Convertible loan reserve	Capital contribution reserve	Translation reserve	Warrant and option reserve	Retained losses	Total equity
	£	£	£	£	£	£	£	£	£
At 1 April 2011	5,524,445	72,574,560	(63,104,556)	260,870	83,787	12,267	1,625,805	(16,840,467)	136,711
Comprehensive income									
Loss for the year	-	-	-	-	-	-	-	(1,991,582)	(1,991,582)
Total comprehensive income for the year ended 31 March 2012	-	-	-	-	-	-	-	(1,991,582)	(1,991,582)
Loan conversion	2,074,018	414,803	-	(260,870)	-	-	-	-	2,227,951
Warrants issued on lines of funding	-	-	-	-	-	-	149,005	-	149,005
Credit to equity due to the convertible loan	-	-	-	187,286	-	-	-	-	187,286
At 31 March 2012	7,598,463	72,989,363	(63,104,556)	187,286	83,787	12,267	1,774,810	(18,832,049)	709,371

Consolidated Statement of Changes in Equity for the year ended 31 March 2013

Share capital account

Share capital records the nominal value of shares in issue

Share premium account

Share premium records the receipts from issue of share capital above the nominal value of the shares. Share premium is stated net of direct issue costs

Capital contribution reserve

Contributions provided to entities by shareholders that are not intended by either party to be repaid are accounted for as capital contributions

Capital redemption reserve

Capital Redemption Reserve is a reserve created when a company buys its own shares which reduces its share capital. This reserve is not distributable to shareholders and can be used to pay bonus shares issued.

Translation reserve

Translation gains and losses arising on the retranslation of net assets of subsidiaries whose presentational currency is not sterling are recognised directly in equity in the translation reserve

Reverse acquisition reserve

A reverse acquisition reserve is established to take account of acquisitions that are deemed to be reverse acquisitions under International Financial Reporting Standards

Retained losses

The accumulated loss reserve records the cumulative profits less losses recognised in the Statement of Comprehensive Income, net of any distributions and share-based payments made

Warrant and option reserve

The warrant reserve records the fair value charge of warrants and share options issued by the Group

Convertible loan reserve

The convertible loan reserve records the equity component of the convertible loan instrument

The notes on pages 44 to 82 form part of these financial statements

Gasol Plc

Company Statement of Changes in Equity for the year ended 31 March 2013

	Share capital £	Share premium £	Convertible loan reserve £	Warrant and option reserve £	Capital redemption reserve £	Retained losses £	Total equity £
At 1 April 2012	7,598,463	72,989,363	187,286	1,774,810	-	(81,889,887)	660,035
Other comprehensive income							
Loss for the year	-	-	-	-	-	(4,011,590)	(4,011,590)
Total comprehensive income for the year ended 31 March 2013	-	-	-	-	-	(4,011,590)	(4,011,590)
Buy back and subsequent cancellation of shares	(7,936,494)	-	-	-	7,936,494	-	-
Loan conversion	500,000	-	(370,163)	-	-	370,163	500,000
Warrants issued on lines of funding	-	-	-	252,180	-	-	252,180
Credit to equity due to the convertible loan	-	-	182,877	-	-	-	182,877
Share-based payments	5,589	146,447	-	-	-	-	152,036
At 31 March 2013	167,558	73,135,810	-	2,026,990	7,936,494	(85,531,314)	(2,264,462)

Gasol Plc

Company Statement of Changes in Equity for the year ended 31 March 2012

	Share capital £	Share premium £	Convertible loan reserve £	Warrant and option reserve £	Retained losses £	Total equity £
At 1 April 2011	5,524,445	72,574,560	260,870	1,625,805	(79,903,363)	82,317
Other comprehensive income						
Loss for the year	-	-	-	-	(1,986,524)	(1,986,524)
Total comprehensive income for the year ended 31 March 2012	-	-	-	-	(1,986,524)	(1,986,524)
Loan conversion	2,074,018	414,803	(260,870)	-	-	2,227,951
Warrants issued on lines of funding	-	-	-	149,005	-	149,005
Credit to equity due to the convertible loan	-	-	187,286	-	-	187,286
At 31 March 2012	7,598,463	72,989,363	187,286	1,774,810	(81,889,887)	660,035

**Consolidated Statement of Financial Position
as at 31 March 2013**

Registered Number: 05350159

	Note	31 March 2013 £	31 March 2012 £
Assets			
Non-current assets			
Goodwill	11	3,000,000	3,000,000
Property, plant and equipment	12	1,397	2,929
Total non-current assets		3,001,397	3,002,929
Current assets			
Trade and other receivables	13	718,515	176,602
Cash and cash equivalents	20	6,750,255	206,243
Total current assets		7,468,770	382,845
Total assets		10,470,167	3,385,774
Liabilities			
Current liabilities			
Trade and other payables	14	656,268	560,963
Borrowings	15	767,325	2,115,440
Total current liabilities		1,423,593	2,676,403
Net current assets / (liabilities)		6,045,177	(2,293,558)
Non-current liabilities			
Borrowings	15	11,280,418	-
Net (liabilities) / assets		(2,233,844)	709,371
Equity			
Share capital	17	167,558	7,598,463
Share premium	17	73,135,810	72,989,363
Reverse acquisition reserve		(63,104,556)	(63,104,556)
Total issued equity		10,198,812	17,483,270
Convertible loan reserve		-	187,286
Capital contribution reserve		83,787	83,787
Capital redemption reserve		7,936,494	
Translation reserve		12,267	12,267
Warrant and option reserve		2,026,990	1,774,810
Retained losses		(22,492,194)	(18,832,049)
Total equity attributable to equity holders of the parent		(2,233,844)	709,371

The notes on pages 44 to 82 form part of these financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 28 August 2013


Alan Buxton
Chief Operating Officer

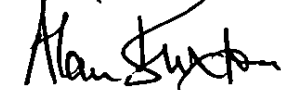
**Company Statement of Financial Position
as at 31 March 2013**

Registered Number: 05350159

	Note	31 March 2013 £	31 March 2012 £
Assets			
Non-current assets			
Goodwill	26	3,000,000	3,000,000
Property, plant and equipment	27	1,397	2,929
Total non-current assets		3,001,397	3,002,929
Current assets			
Trade and other receivables	28	687,065	145,153
Cash and cash equivalents	31	6,750,047	187,845
Total current assets		7,437,112	332,998
Total assets		10,438,509	3,335,927
Liabilities			
Current liabilities			
Trade and other payables	29	655,228	560,452
Borrowings	30	767,325	2,115,440
Total current liabilities		1,422,553	2,675,892
Net current assets / (liabilities)		6,014,559	(2,342,894)
Non-current liabilities			
Borrowings	30	11,280,418	-
Net (liabilities) / assets		(2,264,462)	660,035
Equity			
Share capital	17	167,558	7,598,463
Share premium	17	73,135,810	72,989,363
Convertible loan reserve		-	187,286
Warrant and option reserve		2,026,990	1,774,810
Retained losses		(85,531,314)	(81,889,887)
Capital redemption reserve		7,936,494	-
Total equity attributable to equity holders of the parent		(2,264,462)	660,035

The notes on pages 44 to 82 form part of these financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 28 August 2013



Alan Buxton
Chief Operating Officer

**Consolidated Statement of Cash Flows
for the year ended 31 March 2013**

		Year ended 31 March 2013 £	Year ended 31 March 2012 £
	Note		
Loss before taxation		(4,030,308)	(1,991,582)
Adjustments for			
Finance income	7	(14,262)	(1,889)
Finance costs	8	731,116	282,687
Depreciation charges	12	1,532	7,723
Share-based payment charge	18	99,477	119,533
Operating cash flows before movements in working capital		(3,212,445)	(1,583,528)
Increase in receivables	13	(527,677)	(32,673)
Increase in payables	14	247,341	134,540
Net cash used in operating activities		(3,492,781)	(1,481,661)
Cash flows from investing activities			
Interest received		26	1,889
Purchase of tangible fixed assets		-	(3,057)
Net cash received from / (used in) investing activities		26	(1,168)
Cash flows from financing activities			
Interest paid		(67,430)	(5,723)
Repayment of loan	15	(3,008,136)	-
Proceeds from issue of convertible loan notes	15	2,519,081	1,520,000
Proceeds from issue of bond instruments	15	13,217,600	-
Commission costs on issue of bond instruments	15	(2,624,348)	-
Net cash generated from financing activities		10,036,767	1,514,277
Net increase in cash and cash equivalents		6,544,012	31,448
Cash and cash equivalents at beginning of year		206,243	174,795
Cash and cash equivalents at end of year	20	6,750,255	206,243

The notes on pages 44 to 82 form part of these financial statements

**Company Statement of Cash Flows
for the year ended 31 March 2013**

	Note	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Loss before taxation		(4,011,590)	(1,986,524)
Adjustments for			
Finance income	7	(14,262)	(1,889)
Finance costs	8	731,116	282,687
Depreciation of property, plant and equipment	27	1,532	7,723
Share-based payment charge	18	99,477	119,533
Operating cash flows before movements in working capital		(3,193,727)	(1,578,470)
Increase in receivables	28	(527,677)	(32,676)
Increase in payables	29	246,813	136,974
Net cash used in operating activities		(3,474,591)	(1,474,172)
Cash flows from investing activities			
Interest received		26	1,889
Purchase of tangible fixed assets		-	(3,057)
Net cash generated from / (used in) investing activities		26	(1,168)
Cash flows from financing activities			
Interest paid		(67,431)	(5,723)
Repayment of loan	30	(3,008,135)	-
Proceeds from issue of convertible loan note	30	2,519,081	1,520,000
Proceeds from issue of bond instruments	30	13,217,600	-
Commission costs on bond instruments	30	(2,624,348)	-
Net cash generated from financing activities		10,036,767	1,514,277
Net increase in cash and cash equivalents		6,562,202	38,937
Cash and cash equivalents at start of year		187,845	148,908
Cash and cash equivalents at end of year	31	6,750,047	187,845

The notes on pages 44 to 82 form part of these financial statements

Notes to the consolidated financial statements for the year ended 31 March 2013

1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("adopted IFRSs"), and are in accordance with IFRS as issued by the IASB

The consolidated financial statements have been prepared under the historical cost basis, except for the revaluation of financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies are set out in note 2.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the Group's management to exercise judgement in the most appropriate application in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

Going concern

The Directors have prepared cash flow forecasts which indicate that Gasol will require additional funding in the form of debt or equity within the next 9 to 12 months in order to meet its commitments as they fall due and to fund the expenditure required to progress the gas projects to cash generation.

Gasol is currently involved in discussions with external investors and advisors to secure future financing arrangements in the form of both debt and equity instruments. The Directors believe that based on preliminary discussions the outcome will be positive. The Board is also confident that it retains the continuing support from its major shareholders to provide additional funding should other sources not be forthcoming. However, the Directors appreciate that this lack of formal agreements mean there can be no certainty that the additional funding will be secured within the necessary timescale. Nevertheless, with the expectation of Gasol formally agreeing new funding from its major shareholders and other financial investors, the Directors have a reasonable expectation that the Group has adequate resources to continue trading for the foreseeable future and have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

NEW AND AMENDED IFRS STANDARDS

The IASB and IFRIC have issued the following standards and interpretations with effective dates as noted below.

Topic	Key requirements	Effective date
IFRS 1	Government Loans – first time adoption relief	1 January 2013
IFRS 7	Financial Instruments: Offsetting Financial Assets and Financial Liabilities – offsetting and netting off arrangement	1 January 2013
IFRS 7	Financial Instruments – Transfer of financial assets	1 July 2011

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

IFRS 13	Fair value measurement – Definition of fair value and measurement	1 January 2013
IAS 1	Financial statement presentation regarding other comprehensive income	1 July 2012
IAS 19	Employee benefits – Calculation of finance costs	1 January 2013
IFRIC 20	Stripping costs in the Production Phase of a Surface Mine – Depreciation on a systematic basis over useful life based on units of production	1 January 2013
IFRS 10	Consolidated Financial Statements - Single control model for special purpose entities	1 January 2013

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following standards and amendments to existing standards have been published and are mandatory from the financial year on or after the effective dates shown below but are not currently relevant to the Company (although they may affect the accounting for future transactions and events)

Topic	Key requirements	Effective date
IFRS 9	Financial Instruments – Classification and measurement of financial instruments	1 January 2015
IFRS 10	Consolidated financial statements – Establish principles for presentation and preparation of consolidated financial statements	1 January 2014
IFRS 11	Joint arrangements – removal of proportional consolidation joint venture and looking at rights and obligations rather than legal form	1 January 2014
IFRS 12	Disclosures of interests in other entities and off balance sheet vehicles	1 January 2014
IAS 27 (revised 2011)	Separate financial statements - includes the provisions that are left after the control provisions of IAS 27 have been included in the new IFRS 10	1 January 2014
IAS 28 (revised 2011) –	Associates and joint ventures - includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11	1 January 2014

Notes to the consolidated financial statements for the year ended 31 March 2013

Topic	Key requirements	Effective date
IAS 32, Offsetting Financial Assets and Financial Liabilities	The amendments clarify existing application issues relating to the offsetting requirements	1 January 2014
IFRS 10, 12 and 27	Consolidated Financial Statements – Amended for creation on definition of investment entity	1 January 2014

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company when the relevant standards and interpretations come into effect

The Directors believe that no longer being able to proportionally consolidate will not have a material effect

2 Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated

Basis of consolidation

The consolidated financial statements consist of the financial statements of the Company and entities controlled by the Company (the subsidiaries) made up to 31 March 2013. Control is achieved where the Company has the power to govern the financial and operational policies of an entity so as to gain benefit from its activities. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets or liabilities of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. For this reason, no non-controlling interests are recognised in these financial statements.

The Company has taken advantage of the exemption under section 408 (3) of the Companies Act 2006 and has not presented its Statement of Comprehensive Income in these financial statements. The Company's Statement of Comprehensive Income for the year ended 31 March 2013 includes a loss after tax of £4,011,590 (2012: £1,986,524).

Joint ventures

Joint ventures are entities in which the Group holds an interest on a long-term basis and which are jointly controlled by the Group and other venturers under a contractual agreement. The Group's share is accounted for using the proportionate consolidation method. The consolidated Statement of Comprehensive Income and Statement of Financial Position include the Group's share of the income, expenses, assets and liabilities.

Investments

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

2 Significant accounting policies (continued)

Goodwill

All business combinations are accounted for by applying the purchase method. Goodwill arising on consolidation represents the excess of the consideration paid on acquisition over the Group's interest in the fair value of the identifiable assets (including any intangible assets), liabilities and contingent liabilities acquired. Goodwill is not amortised but is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

Foreign currencies

The individual financial records of each group company are recorded in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of producing consolidated financial statements, the results and financial position of each group company are expressed in pounds sterling (£), which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In maintaining the financial records of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. When consolidated results are produced, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the date of the Statement of Financial Positions. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

2 Significant accounting policies (continued)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, including those arising on investments in subsidiaries and associates and interest in joint ventures, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset or liability is realised or settled.

Property, plant and equipment

Office equipment and fixtures and fittings are stated at cost of acquisition less accumulated depreciation and any recognised impairment loss.

Depreciation of these assets is calculated on a straight line basis as follows:

Office equipment	2 years
Fixtures and fittings	4 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

2. Significant accounting policies (continued)

Financial instruments

The gain or loss arising on disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income

Financial assets and financial liabilities are recognised at fair value in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument

Trade receivables

Trade receivables are generally carried at original invoice amount less a provision for bad and doubtful debts (if any) and do not bear interest. They are initially recognised at fair value, and are subsequently measured at amortised cost

Trade payables

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs

Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash with three months or less remaining to maturity from the date of acquisition and that are subject to an insignificant risk of change in value

Financial liabilities and equity

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 Group after deducting all of its liabilities

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and reward of ownership of the asset to another entity

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost, any difference between the proceeds and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

2. Significant accounting policies (continued)

Compound Financial Instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder. The number of shares to be issued does not vary.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to their initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition, except on conversion or expiry.

Derivative financial instruments

The Group entered into convertible loan notes where the conversion terms of the loan into equity are variable depending on the share price of the shares at the date of conversion. Further details of derivative financial instruments are disclosed in note 21.

Derivatives are initially recognised at fair value at the grant date and are subsequently measured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Share-based payments and warrants

The Group issues equity-settled share-based payments to certain employees and warrants to institutional investors as part of funding activities. Equity-settled share-based payments and warrants are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Actual results may vary from the estimates used to produce these financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant items subject to such estimates and assumptions include, but are not limited to:

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The goodwill represents the potential value of the current portfolio of projects and the value is underpinned by the economic benefit of future cash flows generated from the project portfolio.

The main risks and sensitivities impacting the valuation of the goodwill relate to the following:

- ability of upstream partners to secure the gas assets,
- obtaining government approvals,
- reaching binding joint venture agreements between the parties,
- securing sufficient funding to meet expected project development costs, and
- Delivering gas within the projected timeframe.

The Directors' economic assessment of the project portfolio at 31 March 2013 is £3,000,000. In addition and in determining the supporting net present value of the project portfolio future cash flows, the relevant probabilities of success at each stage of the individual projects have been assessed and the risk factored in to the valuation.

The Directors acknowledge that the use of estimates is inherently judgemental but believe they have been relatively prudent in forming their views and utilised the significant experience of the Board and management in determining the values used. Whilst there is the possibility that the projects will yield a lower than expected value, there remains significant up-side potential.

The Directors will continue to monitor the valuation of the cash-generating units that support the goodwill.

Other areas

Other estimates include but are not limited to the allowance for doubtful accounts, future cash flows associated with assets, useful lives for depreciation, depletion and amortisation and fair value of financial instruments.

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

4. Segment information

The Group complies with IFRS 8 Operating Segments, which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Officer to allocate resources to the segments and to assess their performance

In the opinion of the Directors, the operations of the Group comprise one class of business, being the development of the Group's gas projects in West Africa

5. Expenses by nature and auditor's remuneration

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Staff costs (note 6)	1,102,329	599,846
Depreciation of property, plant and equipment	1,532	7,723
Operating lease payments	189,531	179,524
Share-based payments (note 18)	99,477	119,533
Legal, professional and consultancy fees	1,234,752	509,363
Audit fees	31,300	23,520
Other expenses	722,533	339,275
Total administrative expenses	3,381,454	1,778,784
Audit fees		
- As auditors (parent and consolidation)	24,300	20,020
- As auditors (subsidiaries)	3,500	3,500
Total audit fees	27,800	23,520
Other services		
- Other	129,577	-

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

6. Staff costs

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Directors' fees and emoluments	449,416	256,051
Staff salaries	469,451	260,608
Pension costs	70,693	22,756
Social security costs	112,769	60,431
	<u>1,102,329</u>	<u>599,846</u>
The average number of employees (including executive Directors) employed by the Group during the year was		
	Number	Number
Management and finance	5	4
Administrative and support	5	3
	<u>10</u>	<u>7</u>

In the year ended 31 March 2013, employee remuneration included £54,026 of payments into defined contribution pension payments (2012 £22,756)

Share-based charges as remuneration totalled £22,535 for Executive Directors (2012 £50,453) and totalled £nil for Non-Executive Directors (2012 £39,940)

During the year Haresh Kanabar and Ewen Wigley received £100,000 (2012 £nil) and £20,000 (2012 £nil) respectively as Directors remuneration as a direct result of raising bond financing. These amounts have been disclosed as finance costs and are recognised over the term of the loan. See note 15 for more details.

Further information regarding the remuneration of Directors is included in the Report of the Remuneration Committee on pages 27 to 30.

7. Finance income

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Interest received on bank deposits	26	1,889
Accrued interest from related party	14,236	-
	<u>14,262</u>	<u>1,889</u>

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

8 Finance costs

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Convertible loan note interest	252,288	105,944
Cost of borrowing – warrant award	319,189	171,022
Cost of borrowing – commission costs	72,666	-
Fair value adjustment on embedded derivatives (see note 15)	53,466	-
Other interest	33,507	5,721
	<u>731,116</u>	<u>282,687</u>

9. Taxation

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Loss before taxation	(4,030,308)	(1,991,582)
Loss before taxation at the standard rate of corporation tax in the UK of 24% (2012 26%)	(967,274)	(517,811)
Effects of		
Expenses not deductible for tax purposes	39,517	-
Unutilised tax losses	<u>927,757</u>	<u>517,811</u>
Current tax charge	<u>-</u>	<u>-</u>

The Group has incurred tax losses for the period and a corporation tax charge is not anticipated. The amount of the unutilised tax losses has not been recognised in the financial statements as the recovery of this benefit is dependent on the future profitability of certain subsidiaries, the timing of which cannot be reasonably foreseen.

If the Group makes profits in the future, unrecognised timing differences of approximately £21.99m at 31 March 2013 (2012 £17.99m) would be recognised at a rate of 24% (2012 26%).

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

10. Loss per ordinary share

The calculation of a basic loss per share of 13 pence for the year (2012 8 pence*) is based on the loss for the period attributable to equity holders of Gasol Plc of £4,030,308 (2012 £1,991,582*) and on the weighted average number of shares in issue during the period of 31,905,919 (2012 24,976,474)

The options are considered anti-dilutive as inclusion would reduce the loss per share. As such, no diluted loss per share is reported

At 31 March 2013, there were 2,595,333 potentially dilutive shares (2012 1,835,333*) as part of a share-based payment scheme and outstanding warrants

*As a result of a share consolidation during the year (see note 17) the current year and comparatives have been amended to reflect the current shares issued to allow comparison between the years

11. Goodwill

	£
Cost	
At 1 April 2011, 31 March 2012 and 31 March 2013	<u>3,394,911</u>
Accumulated impairment losses	
At 1 April 2011, 31 March 2012 and 31 March 2013	<u>394,911</u>
Carrying amount	
At 31 March 2013	<u>3,000,000</u>
At 31 March 2012	<u>3,000,000</u>
At 31 March 2011	<u>3,000,000</u>

The value of the majority of the goodwill is underpinned by the future cash flows expected to be generated through the development of gas in line with principal activities of LNG and other industrial users in West Africa. The Directors' economic assessment of the project at 31 March 2013 is £3,000,000 (2012 £3,000,000) which led to no impairment during the year.

In forming this valuation, the Directors have considered developments in, and the current state of, negotiations in relation to the portfolio of projects. In addition and in determining the supporting net present value of the project portfolio future cash flows, the relevant probabilities of success at each stage of the projects have been assessed and the risk factored in to the valuation.

The Directors acknowledge that the use of estimates is inherently judgemental but believe they have been sufficiently prudent in forming their views and utilised the significant experience of the Board and Management in determining the values used. Whilst there is the possibility that the projects will yield a lower than expected value, there remains significant up-side potential.

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

11. Goodwill (continued)

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGUs") that are expected to benefit from that business combination. There is only considered to be one CGU in the Group which is the activities in the supply of gas and LNG to power projects and other industrial users. The purchase of subsidiary through reverse acquisition for these activities total the £3,000,000 (2012 £3,000,000).

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. Details of key assumptions and variables used are outlined in note 3.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

12. Property, plant and equipment

	Office equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2011	112,206	407,328	519,534
Additions	3,057	-	3,057
At 31 March 2012 and 31 March 2013	115,263	407,328	522,591
Depreciation			
At 1 April 2011	112,206	399,733	511,939
Charge for the year	128	7,595	7,723
At 31 March 2012	112,334	407,328	519,662
Charge for the year	1,532	-	1,532
At 31 March 2013	113,866	407,328	521,194
Carrying amount			
At 31 March 2013	1,397	-	1,397
At 31 March 2012	2,929	-	2,929
At 31 March 2011	-	7,595	7,595

No impairment losses have been realised on any property, plant and equipment during the year (2012 £nil)

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

13. Trade and other receivables

	31 March 2013 £	31 March 2012 £
VAT recoverable	24,146	15,867
Prepayments and accrued income	196,298	120,317
Other receivables	57,331	33,985
Amounts owed by related parties	440,740	6,433
	<u>718,515</u>	<u>176,602</u>

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value

14 Trade and other payables

	31 March 2013 £	31 March 2012 £
Other taxes and social security	124,387	38,209
Accruals	186,955	399,996
Trade payables	344,747	120,978
Other payables	179	1,780
	<u>656,268</u>	<u>560,963</u>

The accruals balance includes amounts relating to Directors salaries deferred totalling £nil (2012 £59,400), the related national insurance contribution of £nil (2012 £8,196) and deferred employee pension contribution totalling £nil (2012 £31,624). There is also a balance in relation to an unpaid Directors bonus at the year end of £20,000 (2012 £nil).

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe and no interest has been charged by any suppliers as a result of late payment of invoices during the period.

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

15. Borrowings

Current liabilities	31 March 2013 £	31 March 2012 £
Convertible loan note	741,650	2,144,912
Embedded derivative	57,949	-
Loan fees – warrant charge (note 18)	(32,274)	(29,472)
	767,325	2,115,440
Non-current liabilities	31 March 2013 £	31 March 2012 £
Convertible loan note	609,753	-
Embedded derivative	71,716	-
Bond instrument	13,327,746	-
Loan fees – warrant charge (note 18)	(177,115)	-
Loan fees – Finance costs	(2,551,682)	-
	11,280,418	-

The embedded derivatives attached to the convertible loans are treated as financial instruments held at fair value through profit and loss. As a result, £53,466 (2012: £nil) has been recognised in the income statement as finance costs representing the fair value adjustment. This has been calculated as the difference between the convertible option value at the grant date of the loan £76,199 and the fair value of the option at 31 March 2013 of £129,665.

The movement on each loan can be summarised as follows:

	Bond instrument 1 £	Convertible loan 2 £	Convertible loan 3 £	Convertible loan 4 £	Total £
Balance at 31 March 2012	-	1,517,771	-	597,669	2,115,440
Cash raised on new loans	13,217,600	1,848,261	670,819	-	15,736,680
Cash issue cost of new loans	(2,590,771)	-	(33,577)	-	(2,624,348)
Warrants issued	(182,175)	-	-	(70,005)	(252,180)
Conversion of loan into equity	-	(500,000)	-	-	(500,000)
Cash repayments	-	(3,008,136)	-	-	(3,008,136)
Finance charge – coupon interest	110,147	102,976	1,250	33,464	247,837
Finance charge – other charges	77,025	39,128	10,100	206,197	332,450
Balance at 31 March 2013	10,631,826	-	648,592	767,325	12,047,743

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

Bond instrument 1

On 5 March 2013, a bond instrument was agreed and entered into of \$100,000,000 (£66,088,000) of which an initial \$20,000,000 (£13,217,600) has been drawn down. The repayment date of the bond is the 28 February 2016, with interest accruing at 10% payable semi-annually. The loan provider was granted 1,000,000 warrants in relation to the financing – see note 18 for further details.

Convertible loan 2

On 24 August 2012, a new loan agreement with African Gas Development Corporation Limited was entered into to replace the two loans previously agreed in April 2011 and November 2011 and provide further working capital. The repayment date of the loan was the 24 August 2013, with interest accruing at 5% compounded annually, payable in full on conversion or repayment. For half of the £1,000,000 April 2011 loan, it was agreed that repayment would be in the form of shares at a share price of 0.5p with 500,000 new ordinary shares issued. The remainder of the loan, plus interest, together with the entire November 2011 facility of £1,000,000, plus interest, was repaid in cash early on the 15 March 2013.

Convertible loan 3

On 15 March 2013, a convertible loan agreement with Socar Trading S.A. of £670,825 was entered into of which the whole amount has been drawn down. The repayment date of the loan is the 15 March 2015, with interest accruing at 4% compounded annually, payable in full on conversion or repayment.

Repayment of the loan at the lender's option can be

- In cash, or
- In shares – calculated as the aggregate loan plus accrued interest by a price which is the lower of (i) £0.18 and (ii) the 90 day volume weighted average price of a Share on the London Stock exchange on the date of the conversion notice, provided this is not lower than £0.05.

This option to convert the loan into shares has been treated as a separate financial instrument as an embedded derivative.

Convertible loan 4

On 30 December 2012, a maturing loan facility with Banque Benedict Hentsch & CIE SA was rolled over into a new convertible loan facility for £694,167. The repayment date is 30 December 2013, with interest accruing at 5% compounded annually, payable in full on conversion or repayment. As part of the new loan a further 240,000 new warrants were issued – see Note 18.

Repayment of the loan at the lenders' option will be

- In cash, or
- In shares – calculated as the aggregate loan plus accrued interest divided by the lower of (i) 0.20 pence and (ii) price per share applicable to any capital raising after the date hereof.

This option to convert the loan into shares has been treated as a separate financial instrument as an embedded derivative.

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

Total movements in borrowings can be summarised as follows

Borrowings	31 March 2013 £	31 March 2012 £
Brought forward	2,115,440	2,763,183
Cash issue of new convertible loans	2,519,081	1,520,000
Cash issue of new bond	13,217,600	-
Cash repayment of convertible loans	(3,008,136)	-
Cash commission costs recognised	(2,624,348)	-
Repayment of convertible loan with shares	(500,000)	(2,227,950)
Non-cash finance charge	247,837	171,021
Recognition of equity element	(182,877)	(187,286)
Unwinding loan fees	289,717	105,944
Embedded derivative	53,466	-
Loan fees – warrant charge (note 18)	(152,703)	(29,472)
Unwinding of commission costs	72,666	-
	12,047,743	2,115,440

The bond instrument and the Socar Trading S A loan have commission costs of £2,624,348 and Directors fees of £120,000 which are directly attributable to the raising of the loan and have therefore been recognised as part of the cost and recognised over the term of the loan on a straight line basis

16. Operating lease arrangements

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows

Group and Company	31 March 2013 £	31 March 2012 £
Within one year	246,684	246,684
In the second to fifth years	842,837	986,736
Over five years	-	102,785
	1,089,521	1,336,205

At the balance sheet date, the Group had no outstanding commitment for future minimum operating lease payments after the next five years

A sub-lease is in place with International Mining and Infrastructure Corporation plc who paid £80,218 (2012 £63,248) in rent and service charges during the year ended 31 March 2013

The operating lease relates to the lease of office premises at 40 New Bond Street, London. In the prior year the terms of the lease agreement gave Gasol, as tenant, an option to give six months notice and terminate the lease in February 2012 thereby reducing the non-cancellable operating lease payments. This option was not exercised and the lease will now continue to run until August 2017

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

17 Share capital

	31 March 2013 Number	31 March 2012 Number*	31 March 2013 £	31 March 2012* £
Authorised				
Ordinary shares of 0.5p each	40,000,000	40,000,000	200,000	200,000
Issued and fully paid				
Ordinary shares of 0.5p each	33,511,698	30,393,850	167,558	151,969

*As a result of a share consolidation during the year the comparatives have been amended to reflect the current shares issued to allow comparison between the years

	Number of Ordinary Shares No	Ordinary Share Capital £	Share Premium £	Number of Deferred shares No	Deferred Shares £	Total £
As at 1 April 2011	1,104,889,234	5,524,445	72,574,560	-	-	78,099,005
Issued during the year	414,803,287	2,074,018	414,803	-	-	2,488,821
At 31 March 2012	1,519,692,521	7,598,463	72,989,363	-	-	80,587,826
Shares issued pre-share consolidation	100,000,029	500,000	-	-	-	500,000
Share consolidation	(1,587,298,689)	-	-	-	-	-
Share split	-	(7,936,494)	-	32,393,851	7,936,494	-
Share buy back	-	-	-	(32,393,851)	(7,936,494)	(7,936,494)
Share based payment	1,117,837	5,589	146,447	-	-	152,036
At 31 March 2013	33,511,698	167,558	73,135,810	-	-	73,303,368

The Company has one class of ordinary share which carries no right to fixed income

100,000,000 ordinary shares were issued during the year ended 31 March 2013 (2012 414,803,287) as part of a loan conversion to equity during the year. The loan was converted per the terms of the agreement at 0.5p per share giving additional share capital of £500,000.

On the 21 September 2012 there was a further issue of 29 shares and a consolidation of the current existing 1,619,692,550 0.5p ordinary shares on the basis of 1 Interim Ordinary share for every 50 existing ordinary shares. This resulted in a new total shareholding of 32,393,851 25p shares.

On the same day each Interim Ordinary share was split into one New Ordinary share worth 0.5p each and one deferred share of 24.5p each. The deferred shares were subsequently cancelled on the 24 September 2012 as the company bought back these shares. The accounting for the cancellation of the 32,393,851 deferred shares has been reflected in the capital redemption reserve.

Notes to the consolidated financial statements for the year ended 31 March 2013

17. Share capital (continued)

There was a share based payment totalling £152,036 as consideration for consultancy services provided. The nominal value of the issue of the shares issued was £5,589 with a share premium of £146,447.

Shares reserved under warrants issued as part of the loan financing received in December 2012 and employee share schemes are further disclosed in note 18.

18 Share options and other share based payments

In August 2012, a convertible loan was converted into 2,000,000 shares (100,000,000 before share consolidation) at the exercise price of 0.5p per share. This gave additional share capital of £500,000.

During the year a loan totalling £694,167 was advanced by Banque Benedict Hentsch & CIE SA, which carries an interest rate of 5% of which repayment may be made in cash or in shares in Gasol. Attached to this convertible loan are 240,000 warrants instruments with an exercise price being 30 pence.

A loan was also advanced from Socar Trading S.A. totalling £670,825 which carries an interest of 4% of which repayment may be made in cash or in shares in Gasol.

In March 2013 1,000,000 warrant instruments with an exercise price of 20 pence were granted to the provider of the \$100,000,000 bond, these warrants are exercisable at any time until 7 March 2016.

For full details on the convertible elements of the loans above see note 15.

In May 2012, 320,000 share options after the share consolidation were issued to staff members.

Ordinary shares resulting from the exercise of any such rights will rank pari passu in all respects with the Gasol ordinary shares in issue at the time of such exercise.

The following illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options and warrants during the period.

	Number of share options and warrants year ended 31 March 2013	WAEP pence 2013	Number of share options and warrants year ended 31 March 2012*	WAEP pence 2012*
Outstanding at beginning of the year	1,835,333	132.5	2,637,333	211.0
Granted during the period	1,560,000	38.0	1,020,000	80.5
Exercised during the period	-	-	-	-
Lapsed during the period	(800,000)	93.0	(1,822,000)	216.5
Outstanding at end of the year	2,595,333	78.0	1,835,333	132.5
Exercisable at end of the year	3,292,000	88.0	1,655,333	136.0

*The disclosure of the share options and warrants have all been presented for the post share consolidation figures with the comparatives amended.

The weighted average remaining contractual life of the options and warrants outstanding at the balance sheet date was 5.21 years (2012: 4.21 years).

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

18 Share options and other share based payments (continued)

The following table lists the inputs to the model used to determine the fair value of options and warrants granted

	Year ended 31 March 2013	Year ended 31 March 2012
Pricing model used	Black-Scholes	Black-Scholes
Weighted average share price at grant date (pence)	23	90
Weighted average exercise price (pence)	38	80.5
Weighted average contractual life (years)	4.13	4.11
Share price volatility (%)	129%	134%
Dividend yield	0%	0%
Risk-free interest rate (%)	2.5%	2.5%

In forming the volatility assumptions the Directors have considered the volatility of the share price since the date of listing. The volatility of companies operating in the same sector has also been reviewed.

The total share based payment expense for the year ended 31 March 2013 was £99,477 (2012: £119,533) in relation to share options and warrants. Of this, £67,202 (2012: £90,061) related to share options and £32,275 (2012: £29,472) related to the warrants issued. Warrants costs are held as a debit balance against the loan issued and released to the income statement over the term of the loan. As at 31 March 2013 £209,389 (2012: £29,472) is deferred against the loan to match the life of the borrowings (note 15).

All share based payments are equity settled.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

19. Subsidiaries and joint ventures

Details of the Company's subsidiaries and joint ventures at 31 March 2013 are as follows

Name	Place of incorporation (or registration) and operation	Activity	Proportion of ownership interest %	Proportion of voting power held %
African LNG Holdings Limited	The Republic of Seychelles	LNG operations	100%	100%
African LNG Services Limited	United Kingdom	Services company	100%	100%
Afgas Infrastructure Limited	The Republic of Seychelles	Infrastructure development	75%	75%
Afgas Nigeria Limited	Nigeria	Energy research	75%	75%
SONAF G E S A	Equatorial Guinea	Energy research	50%	50%

The investment in the 50% of SONAF has been consolidated using the proportional consolidation method. In 2011 a provision was made against amounts due from the joint venture.

On the 10 December 2012 a joint venture agreement was signed with Societe BenGaz S A pursuant to which a joint venture branded Cogaz S A, will be established to market gas in Benin, Togo and the West Africa region. As at 31 March 2013 the joint venture is still in the process of being set up.

20. Cash and cash equivalents

	31 March 2013 £	31 March 2012 £
Cash at hand and in bank	6,750,255	206,243

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less.

The majority of the cash balances are held at banks with a Standard and Poor's credit rating of at least AA- and registered in the United Kingdom. Balances held with foreign banks are insignificant.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

Notes to the consolidated financial statements for the year ended 31 March 2013

21. Financial instrument risk exposure and management

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Borrowings
- Embedded derivatives financial instruments

Financial instruments by class and by category

		Loans and Receivables	
		31 March 2013	31 March 2012
		£	£
Current financial assets			
Trade and other receivables		498,071	40,418
Cash and cash equivalents		6,750,255	206,243
Total current financial assets		7,248,326	246,661
		Financial liabilities measured at amortised cost	
		31 March 2013	31 March 2012
		£	£
Current financial liabilities			
Borrowings		709,376	2,115,440
Accruals		186,953	399,996
Trade and other payables		344,925	122,758
		1,241,254	2,638,194
Non- current financial liabilities			
Borrowings		11,208,418	-
Total financial liabilities		12,449,672	2,638,194

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

21. Financial instrument risk exposure and management (continued)

	Financial liabilities measured at fair value through profit and loss	
	31 March 2013 £	31 March 2012 £
Current financial liabilities		
Embedded derivatives	57,949	-
Non- current financial liabilities		
Embedded derivatives	71,716	-

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The Board receives monthly reports from the Group Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below and in note 2 of these financial statements.

Credit risk

Cash and cash equivalents

The Group's principal financial assets are bank balances and trade and other receivables.

Credit risk arises principally from the Group's cash balances with further risk arising due to its other receivables. Credit risk is the risk that the counterparty fails to repay its obligation in respect of the amounts owed.

The concentration of the Group's credit risk is considered by counterparty, geography and by currency. The Group has a significant concentration of cash held on deposit with a number of large banks in the United Kingdom with A ratings and above (Standard and Poor). At 31 March 2013 the concentration of credit risk was as follows:

Counterparty	31 March 2013 £	31 March 2012 £
HSBC Bank Plc	656	656
Barclays Bank Plc	6,746,744	184,777
Other banks	2,855	20,810
	<u>6,750,255</u>	<u>206,243</u>

There are no other significant concentrations of credit risk at the balance sheet date.

Notes to the consolidated financial statements for the year ended 31 March 2013

21. Financial instrument risk exposure and management (continued)

Trade receivables

The exposure to trade and other receivables is not currently extensive and no formal procedure is in place for monitoring and collecting amounts owed to Gasol. A risk management framework will be developed over time, as appropriate to the size and complexity of the business.

No trade and other receivables are past their due settlement date. The Directors consider that the carrying amount of trade and other receivables approximates to their fair value and no impairment has been deemed necessary in the year (2012: £nil).

An allowance for impairment is made where there is an identified loss amount, which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. Management considers the above measures to be sufficient to control credit risk exposure.

There is an amount owed to the Group from African Power Generation Limited ('Afgem') which are amounts extended as working capital which are repayable with additional 10% interest. This amounts to £434,307 and is considered recoverable through a discount on the price option to purchase shares.

The total estimated credit risk of the Group at 31 March 2013 was £7,266,517 (2012: £245,356).

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Group monitors its cash balance on a daily basis and produces forecasts of its required expenditure over the coming year for review by management. Management can then take action to secure the right amount of funding at the appropriate time. At the period end the projections indicate that the Group expects to have sufficient access to liquid resources to meet its obligations.

There is no significant difference between the carrying value and fair value of the current and non-current financial liabilities recorded in the Group's balance sheet.

Maturity of financial liabilities

At 31 March 2013	Payable within 30 days £	Payable between 30 days and one year £	Due after one year £
Accruals	186,953	-	-
Trade and other payables	344,925	-	-
Borrowings	-	709,376	11,208,702
Embedded derivatives	-	57,949	71,716
Total financial liabilities	531,878	767,325	11,280,418

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

21. Financial instrument risk exposure and management (continued)

At 31 March 2012	Payable within 30 days £	Payable between 30 days and one year £	Due after one year £
Accruals	399,996	-	-
Trade and other payables	122,758	-	-
Borrowings	-	2,115,440	-
Total financial liabilities	522,754	2,115,440	-

Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group has interest bearing assets and liabilities, being cash and cash equivalents, other receivables and borrowings respectively. However, no interest is currently received in cash and cash equivalents and all borrowings are subject to fixed interest rates. The Group therefore does not suffer from any interest rate risk and consequently sensitivity analysis is not considered necessary.

Foreign currency risk

As highlighted earlier in these financial statements, the functional currency of the Company is £ sterling. The Company also has foreign currency denominated assets and liabilities. Exposures to exchange rate fluctuations therefore arise. The carrying amount of the Company's foreign currency denominated monetary assets and liabilities, all in US \$, are shown below in the Company's functional currency.

	31 March 2013 £	31 March 2012 £
Cash at bank	6,342,777	-
Borrowings	(13,150,632)	-
	(6,807,855)	-

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

21. Financial instrument risk exposure and management (continued)

The Company's main exposure to foreign currency risk is on the convertible loan and the bond instruments issued during the year in US \$ where interest is payable in dollars (see note 15)

The Company also pays for all invoices denominated in a foreign currency in GBP £. The Company therefore does suffer from a level of transactional foreign currency risk. Due to the minimal level of foreign transactions, the directors currently believe that foreign currency risk is at an acceptable level.

The Company does not enter into any derivative financial instruments to manage its exposure to foreign currency risk.

The following table details the Company's sensitivity to a 10% increase and decrease in the US\$ against Sterling. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The table below shows the effect of a 10% weakening and strengthening of the US\$ against £ Sterling.

	\$ Currency impact strengthening £	\$ Currency impact weakening £
2013		
Assets	963,423	(963,423)
Liabilities	(2,090,637)	2,090,637
	<u>(1,127,214)</u>	<u>1,127,214</u>

There were no significant foreign currency transactions in 2012 therefore no sensitivity analysis has been carried out for the comparative period.

Notes to the consolidated financial statements for the year ended 31 March 2013

22. Capital management

The Group's objective when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio, being net debt (borrowings less cash and cash equivalents) divided by total capital (equity plus net debt). In previous periods the Group funded itself primarily through equity funding on the AIM market

	31 March 2013	31 March 2012
	£	£
Total borrowings (note 15)	12,047,743	2,115,440
Less cash and cash equivalents	(6,750,255)	(206,243)
Net debt	5,297,488	1,909,197
Total equity	(2,233,844)	709,371
Total capital	3,063,644	2,618,568
Gearing ratio	173%	73%

23. Related party transactions

The following transactions were carried out with related parties

Services received

	31 March 2013	31 March 2012
	£	£
Mr Ethelbert Cooper	120,000	120,000
Afrade	-	29,358
	120,000	149,358

Mr Ethelbert Cooper, who has a beneficial interest (through an intermediary company) in African Gas Development Corporation Limited ('AfGas') is a special advisor to the Gasol Board of Directors. AfGas is a major shareholder of the Company. He has received £120,000 (2012: £120,000) in respect of his services to Gasol in the year to 31 March 2013.

Payments totalling £nil were made to Afrade SA, (formally African Gas Trading & Services SA), a wholly-owned subsidiary of AfGas for administration services provided to the Group (2012: £29,358).

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2013

23. Related party transactions (continued)

Services provided

	31 March 2013 £	31 March 2012 £
IMIC plc	80,218	67,199
Afrade	68,000	68,000
AIOG	2,813	2,096
	<u>151,031</u>	<u>137,295</u>

Rent and service charges receivable in respect of the sub-lease to IMIC plc, of which Mr Haresh Kanabar is non-executive chairman, amounted to £80,218 (2012 £67,199). This is netted against the rental expense in administration expenses.

Gasol have an agreement with Afrade SA ('Afrade' formally African Gas Trading & Services SA), a wholly-owned subsidiary of AfGas to provide office space and general admin and support services. Gasol have a licence agreement with Afrade for which £68,000 (2012 £68,000) was paid during the year ended 31 March 2013. Amounts receivable at the year end were offset against amounts due to Mr Ethelbert Cooper.

Gasol recharged IT support to African Iron Ore Group (AIOG), amounting to £2,813 (2012 £2,096). AIOG is a related party connected by Mr Ethelbert who is the chairman of AIOG.

Year-end balances arising from services received / provided

	31 March 2013 £	31 March 2012 £
Payables to related parties		
IMIC (rent deposit)	19,389	19,389
Afrade (rent deposit)	5,667	5,667
Mr Ethelbert Cooper	-	108,997
	<u>25,056</u>	<u>134,053</u>
Receivables from related parties		
Afrade	6,433	3,464
AIOG	2,081	2,515
	<u>8,514</u>	<u>5,979</u>

**Notes to the consolidated financial statements
for the year ended 31 March 2013**

23. Related party transactions (continued)

Loans to/from related parties

African Power Generation ('AfGen'), a company in which Mr Ethelbert Cooper has an indirect beneficial interest, owes the Group £434,307 (2012 £nil). This loan is included in amounts owed from related parties. The sums have been advanced under the terms of the option that Gasol has to acquire AfGen which are to be used for working capital purposes and which bear interest at 10% per annum.

Gasol no longer have loan facilities from African Gas Development Corporation Limited, a majority shareholder. In the prior year £1,556,898 was utilised and was outstanding at the year end. See Note 15 for details of borrowings with this related party in the year.

Directors

Remuneration of Directors is disclosed in the report of the Remuneration Committee.

During the year £nil (2012 £59,000) of the Directors' salary was deferred with national insurance contributions relating to this of £nil (2012 £8,196) and there were deferred employee pension contributions totalling £nil (2012 £31,624). At the year end, amounts due to Directors relating to deferred salaries totalled £nil (2012 £156,300) and the related national insurance contribution totalled £nil (2012 £20,120).

At the year end, amounts due to the Directors relating to bonuses of £20,000 (2012 £nil) and the related national insurance contribution totalled £2,760 (2012 £nil) were outstanding.

24. Ultimate Controlling party

At 31 March 2013, the Company's immediate and ultimate controlling party undertaking is African Gas Development Corporation Limited ("Afgas") by virtue of its 65.7% holding, a Company incorporated and registered in the Seychelles.

Afgas has entered into a relationship agreement which restricts its ability to appoint and remove directors.

25. Subsequent events

On 21 August 2013 the Company agreed with AGDC to extend the period for exercise of its option to acquire the entire issued share capital of AfGen by 6 months to 24th February 2014.

Gasol Plc

Notes to the company financial statements for the year ended 31 March 2013

The following notes are in respect of the Gasol plc company only financial statements.

The accountancy policies adopted are identical to those set out in the consolidated financial statements set out in note 2

26. Investments in subsidiary undertakings and goodwill

The value of the subsidiaries owned by the Company at 31 March 2013 is as follows

	Investments £
Cost	
At 31 March 2012 and 31 March 2013	<u>400,000</u>
Impairment	
At 31 March 2012 and 31 March 2013	<u>400,000</u>
Carrying amount	
At 31 March 2012 and 31 March 2013	<u>-</u>

The investment in the SONAF joint venture has been fully provided for Receivables from the joint venture totalling £43,069 were impaired during the year

Gasol Plc

Notes to the company financial statements for the year ended 31 March 2013

26. Investments in subsidiary undertakings and goodwill (continued)

The value of the goodwill owned by the Company at 31 March 2013 is as follows

	Goodwill £
Cost	
At 1 April 2011, 31 March 2012 and 31 March 2013	<u>34,948,633</u>
Accumulated impairment losses	
At 1 April 2011, 31 March 2012 and 31 March 2013	<u>31,948,633</u>
Carrying amount	
At 31 March 2012 and 31 March 2013	<u>3,000,000</u>

The Directors' economic assessment of the project at 31 March 2013 is £3,000,000 (2012 £3,000,000). There had previously been an impairment of goodwill totalling £31,948,633 during 2011.

In forming this valuation, the Directors have considered the price at which an independent unsolicited bid for the project rights would be rejected by the Board. In addition and in determining the supporting net present value of the project future cash flows, the relevant probabilities of success at each stage of the project and have been assessed and the risk factored in to the valuation.

The Directors acknowledge that the use of estimates is inherently judgemental but believe they have been sufficiently prudent in forming their views and utilised the significant experience of the Board and Management in determining the values used. Whilst there is the possibility that the projects will yield a lower than expected value, there remains significant up-side potential.

This goodwill was transferred from investments during the period ended 31 March 2009 due to the hive up of the trade from African LNG Holdings to Gasol and represents the Company's project negotiation rights.

Gasol Plc

Notes to the company financial statements for the year ended 31 March 2013

27. Property, plant and equipment

	Office equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2011	112,206	407,328	519,534
Additions	3,057	-	3,057
At 31 March 2012 and 31 March 2013	115,263	407,328	522,591
Depreciation			
At 1 April 2011	112,206	399,733	511,939
Charge for the period	128	7,595	7,723
At 31 March 2012	112,334	407,328	519,662
Charge for the year	1,532	-	1,532
At 31 March 2013	113,866	407,328	521,194
Carrying amount			
At 31 March 2013	1,397	-	1,397
At 31 March 2012	2,929	-	2,929

No impairment losses have been realised on any property, plant and equipment during the year (2012 nil)

**Notes to the company financial statements
for the year ended 31 March 2013****28. Trade and other receivables**

	31 March 2013 £	31 March 2012 £
Trade receivables	2,081	2,515
VAT recoverable	24,147	15,867
Other receivables	-	19
Prepayments and accrued income	220,097	120,319
Amounts owed by related parties	440,740	6,433
	<u>687,065</u>	<u>145,153</u>

Due to the uncertainty surrounding the success of ongoing projects the amounts due to the Company from subsidiary undertakings have been fully impaired. An impairment during the year of £8,068 making a total impairment of £2,706,034 (2012 £2,697,966) has been made against outstanding receivables from subsidiaries. The Directors will continue to assess the recoverability of these receivables.

The Directors consider that the carrying amount of the remaining trade and other receivables approximates to their fair value.

29. Trade and other payables

	31 March 2013 £	31 March 2012 £
Other taxes and social security	124,388	38,209
Accruals	180,077	393,645
Trade payables	340,586	120,409
Other payables	10,177	8,189
	<u>655,228</u>	<u>560,452</u>

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 46 days (2012 35 days).

The accruals balance includes amounts relating to Directors' salaries deferred totalling £nil (2012 £59,400), the related national insurance contribution of £nil (2012 £8,196) and deferred employee pension contribution totalling £nil (2012 £31,624). There is also a balance in relation to an unpaid Directors' bonus at the year end of £20,000 (2012 £nil).

The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. No interest has been charged by any suppliers as a result of late payment of invoices during the period.

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Gasol Plc

Notes to the company financial statements for the year ended 31 March 2013

30. Borrowings

Current liabilities	31 March 2013 £	31 March 2012 £
Convertible loan note	741,650	2,144,912
Embedded derivatives	57,949	-
Loan fees – warrant charge (note 18)	(32,274)	(29,472)
	<u>767,325</u>	<u>2,115,440</u>
 Non-current liabilities	 31 March 2013 £	 31 March 2012 £
Bond instrument	13,327,746	-
Convertible loan note	609,753	-
Embedded derivative	71,716	-
Loan fees – warrant charge (note 18)	(177,115)	-
Loan fees – Commission costs	(2,551,682)	-
	<u>11,280,418</u>	<u>-</u>

See note 15 for information on the bond instrument and convertible loan notes issued and redeemed during the year

31. Cash and cash equivalents

	31 March 2013 £	31 March 2012 £
Cash at hand and in bank	<u>6,750,047</u>	<u>187,845</u>

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less

The majority of the cash balances are held at banks with a Standard and Poor's credit rating of at least AA- and registered in the United Kingdom

There is no significant difference between the carrying value and fair value of cash and cash equivalents

The amount of cash and cash equivalents denominated in currencies other than sterling is shown in note 32 to these financial statements

Notes to the company financial statements for the year ended 31 March 2013

32. Financial instrument risk exposure and management

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Amounts owed by subsidiaries
- Cash at bank
- Trade and other payables
- Borrowings
- Embedded derivative financial instruments

Financial instruments by class and by category

	Loans and Receivables	
	31 March 2013	31 March 2012
	£	£
Current financial assets		
Trade and other receivables	442,821	8,967
Cash and cash equivalents	6,750,047	187,845
Total current financial assets	7,192,868	196,812

Trade and other receivables are stated inclusive of amounts owed by subsidiaries and other related parties of £3,132,538 (2012: £2,704,399). A provision for non-recoverability of £2,706,034 (2012: £2,697,966) has been made against this amount and is included in trade and other receivables.

	Financial liabilities measured at amortised cost	
	31 March 2013	31 March 2012
	£	£
Current financial liabilities		
Accruals	180,077	393,645
Trade and other payables	350,763	128,598
Borrowings	709,376	2,115,440
	1,240,216	2,637,683
Non-current financial liabilities		
Borrowings	11,208,702	-
Total financial liabilities	12,448,918	2,637,683

**Notes to the company financial statements
for the year ended 31 March 2013**

32. Financial instrument risk exposure and management (continued)

	Financial liabilities measured at fair value through profit and loss	
	31 March 2013	31 March 2012
	£	£
Current financial liabilities		
Embedded derivatives	57,949	-
Non- current financial liabilities		
Embedded derivatives	71,714	-

General objectives, policies and processes

The Company's risk management objectives and policies are aligned with those of the Group and are outlined in note 21 to the consolidated financial statements

Further details regarding the Company's exposure to risks from the use of financial instruments are set out below

Credit risk

Credit risk arises principally from the Company's cash balances and amounts owed from subsidiaries. Credit risk is the risk that the counterparty fails to repay its obligation in respect of the amounts owed.

Cash and cash equivalents

The exposure to credit risk arising from cash and cash equivalents is discussed in note 21.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

Trade and other receivables

The exposure to trade receivables is not currently extensive and no formal procedure is in place for monitoring and collecting amounts owed to Gasol. A risk management framework will be developed over time, as appropriate to the size and complexity of the business.

Following total provisions for impairment of £2,706,034 (2012: £2,701,466) being made against receivables from subsidiaries, there is no significant difference between the carrying value and fair value of trade receivables.

An allowance for impairment is made where there is an identified loss amount, which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. Management considers the above measures to be sufficient to control credit risk exposure.

There is an amount owed to the Group from African Power Generation ('Afgem') which are amounts extended as working capital which are repayable with additional 10% interest. This amounts to £434,307 and is considered recoverable.

**Notes to the company financial statements
for the year ended 31 March 2013**

32. Financial instrument risk exposure and management (continued)

Amounts owed by subsidiaries

Gasol lends money to subsidiaries to fund their working capital requirements. These amounts are repayable on demand at the request of Gasol, although due to the long term nature of the projects being funded, it is intended that repayment will not be requested until the subsidiaries generate sufficient revenues.

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy in relation to liquidity risk is aligned with that of the Group and is outlined in note 21 to the consolidated financial statements.

There is no significant difference between the carrying value and fair value of the current and non-current financial liabilities recorded in the Company's balance sheet.

Maturity of financial liabilities

At 31 March 2013	Payable within 30 days £	Payable between 30 days and one year £	Payable after one year £
Accruals	180,077	-	-
Trade and other payables	350,763	-	-
Embedded derivatives	-	57,949	71,714
Borrowings	-	709,376	11,208,702
Total financial liabilities	530,840	767,325	11,280,416
At 31 March 2012	Payable within 30 days £	Payable between 30 days and one year £	Payable after one year £
Accruals	393,645	-	-
Trade and other payables	128,598	-	-
Borrowings	-	2,115,440	-
Total financial liabilities	522,243	2,115,440	-

**Notes to the company financial statements
for the year ended 31 March 2013**

32. Financial instrument risk exposure and management (continued)

Market risk

The Groups activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group has interest bearing assets and liabilities being cash and cash equivalents, other receivables and borrowings respectively however no interest is currently received in the cash and cash equivalents and all borrowings are subject to fixed interest rates. The Group therefore does not suffer from any interest rate risk and sensitivity analysis is no considered necessary.

Foreign currency risk

The Company's foreign currency risks and assets and liabilities held in foreign currencies are identical to those that the Group faces and are outlined in note 21 to the consolidated financial statements.

33 Capital management

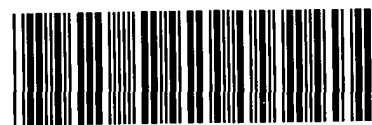
The Company's capital management objectives and policies are aligned with those of the Group and are outlined in note 22 to the consolidated financial statements.

Gasol Plc

**Annual report and financial statements
for the year ended 31 March 2014**

Registered number: 05350159

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COMPANIES HOUSE

Gasol Plc

Officers and Professional Advisors

Country of incorporation and domicile	United Kingdom	
Legal form	Public Limited Company	
Directors	Alan Buxton	Chief Operating Officer
	Ewen Wigley	Executive Director
	Patrick Garo	Finance Director
	Haresh Kanabar	Non-Executive Director
Company secretary & registered office	Miles Thomas 40 New Bond Street London, W1S 2RX	
Company number	05350159	
Accountants	Capita Asset Services 1 st Floor, 40 Dukes Place London, EC3A 7NH	
Auditor	BDO LLP 55 Baker Street London, W1U 7EU	
Solicitors	K & L Gates LLP One New Change London, EC4M 9AF	

Directors' Report for the year ended 31 March 2014

The Directors' present their annual report on the affairs of the Company, together with the financial statements and auditor's report for the year ended 31 March 2014.

Going concern

The Directors have prepared these financial statements on a going concern basis. The Directors acknowledge that further funding will be required within 12 months. Further details can be found in Note 1.

Results and dividends

The results of the Company for the year ended 31 March 2014 are set out on page 10.

The Directors do not recommend payment of a dividend for the year (2013: £nil).

Directors

The names of individuals who served as Directors of the Company from 1 April 2013 are as follows:

Name of Director

Haresh Kanabar	
Ewen Wigley	
Alan Buxton	
Patrick Garo	(appointed 1 July 2014)
Paul Biggs	(resigned 19 August 2014)
Fassine Fofana	(appointed 1 May 2013 and resigned 19 August 2014)
Rilwanu Lukman	(appointed 1 August 2013 and deceased 21 July 2014)
Cornelia Meyer	(resigned 1 August 2013)

Financial instruments

Information on the Company's use of financial instruments and management of financial risks is discussed in note 19 to the consolidated financial statements.

Disclosure of information to auditors

So far as each Director at the date of approval of this report is aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all steps that he or she ought to have taken to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

**Directors' Report
for the year ended 31 March 2014**

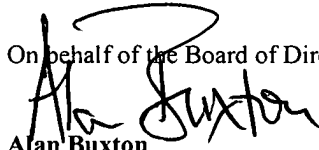
Auditor

BDO LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Recommendation

The Board considers that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and it is their unanimous recommendation that shareholders support them.

On behalf of the Board of Directors:

A handwritten signature in black ink, appearing to read 'Alan Buxton', is written over the printed name.

Alan Buxton
Chief Operating Officer

11 September 2014

Strategic Report for the year ended 31 March 2014

The Directors present their Strategic Report for the year ended 31 March 2014.

Business review and future developments

The Company has continued to make significant progress on the different aspects of its main strategic objective, which is to supply gas to gas constrained markets, where liquid fuels are currently being used for power generation.

The main elements of this strategy are:

a) to deliver regasified LNG to West Africa, b) to secure an upstream gas asset in order to eventually complement LNG by field gas, c) to become materially involved in Gas to Power infrastructure and d) to use Gasol's technical, commercial and financial experience and expertise in the regasified LNG import business, to develop other stand-alone LNG projects in gas constrained regions.

In West Africa, the project of delivering LNG to the port of Cotonou for regasification and further export through the West African Gas Pipeline ("WAGP") has achieved a major commercial milestone with the signing of a full Gas Supply Agreement with the major power generation company in Ghana, the Volta River Authority. The daily contract quantity under the Agreement is 100 mmscfd. Gasol has also already negotiated a Gas Supply Agreement with the Communauté Electrique du Bénin and Togo, with a daily contract quantity of 60 mmscfd. These are obviously key steps for the project, but good progress has also been made in negotiating the supply of LNG and arranging financing. The next big milestones will be to obtain the concession in the port of Cotonou from the Authorities in Benin, and this is expected to occur before the end of 2014.

The project in Malta, in which Gasol participates in and leads an international consortium, is to deliver and regasify LNG in order to supply gas to both an existing power plant and to a newly constructed power plant built by the same consortium. This project has also progressed significantly with pre-engineering works having started and Financial Close expected towards the end of 2014.

Gasol has also submitted significant bids for LNG import projects in different parts of the world. These bids, which are under evaluation by the different authorities, demonstrate the Company's capacity to arrange, lead and structure competitive projects.

An agreed conditional purchase of GDF Suez's interests in the CI-27 gas and oil field offshore Côte d'Ivoire was successful during the year. However, the seller received exercise notices from the existing field partners, under their pre-emption rights, and therefore the acquisition could not complete. This bid has shown Gasol's capacity to structure a successful bid, both technically and financially, for an upstream asset. The Company is looking at other potential assets in the West African area.

As part of Gasol's global strategy, a certain number of strategic partnerships and alliances have been entered into that will help to support our objectives. Gasol holds a "Strategic Partnership Agreement" with African Iron Ore Group ("AIOG"), a Cooperation Agreement with China Machinery Engineering Corporation and also has acquired 47% of the shares of Afrique Energie Corporation, a Canadian registered company with an experienced management team in the oil and gas sector and which now owns 10.06% of Panoro Energy ASA.

Principal activities of the business

The principal activity of the Group is the supply of natural gas and LNG to power projects and other industrial users in West Africa and other gas constrained regions.

Strategic Report for the year ended 31 March 2014

Key performance indicators

Key performance indicators include:

- Meeting articulated milestones on existing project opportunities
- Delivery of binding strategic alliances and project development agreements

The above key performance indicators are monitored by the Board to ensure that they are progressing as planned in a timely manner. At this stage the Board is confident that these targets are being met.

Gasol continues to develop its strategy to supply of natural gas and LNG to power projects and other industrial users in Africa.

Principal risks and uncertainties

The activities of the Company are subject to a number of risks; if any of these risks were to materialise, the Company's business, financial condition and results of future operations could be materially adversely affected. The principal risks are as follows:

- Insufficient gas: whilst the gas reserve potential of the Gulf of Guinea is well known, it may not be possible for the Company to gain access to suitable fields or economically viable to exploit them if the costs of extraction are too high or reserve levels are too low to justify investment in gas transportation or processing facilities.
- Securing viable projects: The Company does not presently carry on any trading activities directly or through any subsidiaries. The Company is dependent upon acquiring and developing LNG import and power projects that meet the Board's investment strategy. The Company cannot guarantee that it will be able to identify or develop appropriate projects meeting the objectives for which it has been established. The Company may spend some of its available funds on investigating potential projects that are subsequently rejected as being unsuitable.
- Cost of project: the cost of projects varies widely according to demand and geographic location. Project costs such as pipelines, LNG plants, regasification facilities, ships and power generation equipment, may be difficult to predict, all of which if increased will have a negative impact on the economics of a project.
- Funding: the business of the Company currently represents a mix of early stage opportunities and defined projects and these opportunities may lead to large capital intensive long-term projects which it is anticipated will not generate revenue for several years. As a result, the Company is likely to be required to obtain significant capital in the future. There is no assurance that it will be able to raise such capital when it is required or that the terms associated with providing such capital will be satisfactory to the Company. Further details are provided in Note 1.
- Political, regulatory and economic instability in the future: the Company will be exposed to various levels of political risk and regulatory uncertainties including government regulations, policies or directives relating to exploration, foreign investors, restrictions on production, price controls, export controls, income and other taxes, nationalisation or expropriation of property, partner carry, repatriation of income, royalties and environmental legislation.

Strategic Report for the year ended 31 March 2014

- Volatility of market price of LNG: The market price of LNG is volatile at times and is affected by numerous factors that are beyond the Company's control. These include geological and seismic factors, global and regional economic and political events, international economic trends, as well as a range of other market forces. Sustained upward movements in LNG prices could render less economic, or uneconomic, any of the development projects to be undertaken by the Company.
- Other risks: Other risks arise from the inability to insure certain political and commercial risks, the inability to obtain appropriate legal redress in some overseas jurisdictions, environmental conditions.

Post balance sheet events

On the 2 May 2014, the convertible loan facility provided by BBH was repaid in full at their request.

On the 12 May 2014, it was agreed that in relation to the sale and purchase agreement for Energie Cote d'Ivoire, GDF Suez E&P International S.A. would pay a break fee of \$1.8m.

On the 16 May 2014, Gasol invested into secured loan notes an initial £200,000 to PowerPerfector Group Limited ("PP") with a further £300,000 subject to PP entering into an invoice discounting facility which was completed on the 22 July 2014. The loan notes pay an interest rate of 8% per annum with a term of three years secured on assets of PP.

On the 19 May 2014 Gasol Upstream Limited, a 100% owned subsidiary, has agreed to invest \$1m for 21,936,000 shares in Afrique Energie Corporation ("AEC") representing a 31.7% shareholding. A further unsecured loan of \$1m has been advanced to AEC at an interest rate of 20% per annum in exchange for a further 20,000,000 shares in AEC taking its total equity holding to 47%. The loan will mature on 13 November 2014.

In relation to the investment in AEC, Gasol has agreed to unconditionally guarantee US\$23 million Senior Notes maturing 13 November 2014 which have been issued by AEC. The Senior Notes have an interest rate of 20 per cent per annum.

On the 28 May 2014, AEC purchased 23,600,000 shares in Panoro Energy ASA ("Panoro") constituting 10.06% of the share capital of Panoro.

Following shareholder approval, on the 18 July 2014 trading of Ordinary Shares of the Company on AIM ceased and there was a cancellation of admission of its ordinary shares to trading on AIM on the 21 July 2014.



Alan Buxton

Chief Operating Officer

11 September 2014

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 group and company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 group and company and of the profit or loss of the group and 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;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- 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 Auditor's Report to the Members of Gasol PLC for the year ended 31 March 2014

We have audited the financial statements of Gasol PLC for the year ended 31 March 2014 which comprise the consolidated statement of comprehensive income, the consolidated statements of changes in equity, the company statements of changes in equity, the consolidated statement of financial position and company statement of financial position, the consolidated statement of cash flows, the company statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 Financial Reporting Council's (FRC'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 FRC'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 group's and the parent company's affairs as at 31 March 2014 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - going concern

In forming our opinion, which is not modified, we have considered the accuracy of the disclosures made in Note 1 to the financial statements concerning the Group's ability to continue as a going concern. The Group is reliant upon its ability to successfully raise further financing to settle existing loan repayments and fund working capital. Further the Group has agreed to guarantee Senior Notes issued by Afrique Energie Corporation. Although the Directors are confident that the Group will not be required to settle these guarantees and will be successful in raising further finance, this cannot be guaranteed and indicates a material uncertainty, which may cast significant doubt on the Group's ability to continue as a going concern. The financial statements do not

**Independent Auditor's Report to the Members of Gasol PLC
for the year ended 31 March 2014**

include the adjustments that would result if the Company and the Group were unable to continue as a going concern.

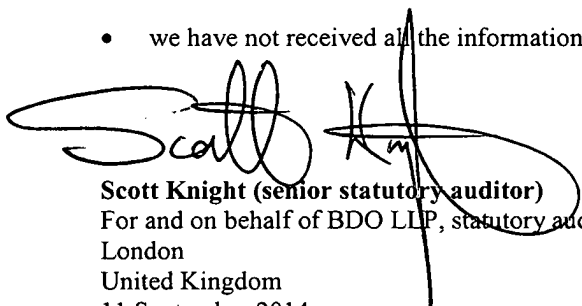
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Scott Knight (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom
11 September 2014

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

Consolidated Statement of Comprehensive Income for the year ended 31 March 2014

		Year ended 31 March 2014 £	Year ended 31 March 2013 £
	Note		
Other operating income		68,000	68,000
Administrative expenses	4	(4,022,633)	(3,381,454)
Exceptional items	4	(1,247,220)	-
Impairment of goodwill	9	(3,000,000)	-
Loss from operations		(8,201,853)	(3,313,454)
Finance income	6	100,636	14,262
Finance costs	7	(2,531,078)	(731,116)
Loss before tax		(10,632,295)	(4,030,308)
Income tax expense	8	-	-
Loss for the year		(10,632,295)	(4,030,308)

All results relate to continuing activities.

All losses and other comprehensive income for the year are attributable to equity shareholders of the parent.

The notes on pages 20 to 52 form part of these financial statements.

Gasol Plc

Consolidated Statement of Changes in Equity for the year ended 31 March 2014

	Share capital	Share premium	Reverse acquisition reserve	Convertible loan reserve	Capital redemption reserve	Capital contribution reserve	Translation reserve	Warrant and option reserve	Accumulated losses	Total equity
	£	£	£	£	£	£	£	£	£	£
At 1 April 2013	167,558	73,135,810	(63,104,556)	-	7,936,494	83,787	12,267	2,026,990	(22,492,194)	(2,233,844)
Loss for the year	-	-	-	-	-	-	-	-	(10,632,295)	(10,632,295)
Total comprehensive income for the year									(10,632,295)	(10,632,295)
Issue of convertible loan	-	-	-	31,690	-	-	-	-	-	31,690
Convertible loan (expiration)	-	-	-	-	-	-	-	(58,944)	58,944	-
Warrants issued on lines of funding	-	-	-	-	-	-	-	22,392	-	22,392
Recognition of share based payments	-	-	-	-	-	-	-	20,185	-	20,185
At 31 March 2014	167,558	73,135,810	(63,104,556)	31,690	7,936,494	83,787	12,267	2,010,623	(33,065,545)	(12,791,872)

Gasol Plc

**Consolidated Statement of Changes in Equity
for the year ended 31 March 2013**

	Share capital	Share premium	Reverse acquisition reserve	Convertible loan reserve	Capital redemption reserve	Capital contribution reserve	Translation reserve	Warrant and option reserve	Accumulated losses	Total equity
	£	£	£	£	£	£	£	£	£	£
At 1 April 2012	7,598,463	72,989,363	(63,104,556)	187,286	-	83,787	12,267	1,774,810	(18,832,049)	709,371
Loss for the year	-	-	-	-	-	-	-	-	(4,030,308)	(4,030,308)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(4,030,308)	(4,030,308)
Buy back and subsequent cancellation of shares	(7,936,494)	-	-	-	7,936,494	-	-	-	-	-
Loan conversion	500,000	-	-	(370,163)	-	-	-	-	370,163	500,000
Warrants issued on lines of funding	-	-	-	-	-	-	-	252,180	-	252,180
Credit to equity due to the convertible loan	-	-	-	182,877	-	-	-	-	-	182,877
Shares issued in relation to share options and warrants	5,589	146,447	-	-	-	-	-	-	-	152,036
At 31 March 2013	167,558	73,135,810	(63,104,556)	-	7,936,494	83,787	12,267	2,026,990	(22,492,194)	(2,233,844)

Gasol Plc

Consolidated Statement of Changes in Equity for the year ended 31 March 2014

Share capital account

Share capital records the nominal value of shares in issue.

Share premium account

Share premium records the receipts from issue of share capital above the nominal value of the shares. Share premium is stated net of direct issue costs.

Capital contribution reserve

Contributions provided to entities by shareholders that are not intended by either party to be repaid are accounted for as capital contributions.

Capital redemption reserve

Capital Redemption Reserve is a reserve created when a company buys its own shares which reduces its share capital. This reserve is not distributable to shareholders and can be used to pay bonus shares issued.

Translation reserve

Translation gains and losses arising on the retranslation of net assets of subsidiaries whose presentational currency is not sterling are recognised directly in equity in the translation reserve.

Reverse acquisition reserve

A reverse acquisition reserve is established to take account of acquisitions that are deemed to be reverse acquisitions under International Financial Reporting Standards.

Accumulated losses

The accumulated loss reserve records the cumulative profits less losses recognised in the Statement of Comprehensive Income, net of any distributions and share-based payments made.

Warrant and option reserve

The warrant reserve records the fair value charge of warrants and share options issued by the Group.

Convertible loan reserve

The convertible loan reserve records the equity component of the convertible loan instrument.

The notes on pages 20 to 52 form part of these financial statements.

Gasol Plc

Company Statement of Changes in Equity for the year ended 31 March 2014

	Share capital £	Share premium £	Convertible loan reserve £	Warrant and option reserve £	Capital redemption reserve £	Accumulated losses £	Total equity £
At 1 April 2013	167,558	73,135,810	-	2,026,990	7,936,494	(85,531,314)	(2,264,462)
Loss for the year	-	-	-	-	-	(10,631,889)	(10,631,889)
Total comprehensive income for the year	-	-	-	-	-	(10,631,889)	(10,631,889)
Issue of convertible loan	-	-	31,690	-	-	-	31,690
Convertible loan (expiration)	-	-	-	(58,944)	-	58,944	-
Warrants issued on lines of funding	-	-	-	22,392	-	-	22,392
Recognition of share-based payments	-	-	-	20,185	-	-	20,185
At 31 March 2014	167,558	73,135,810	31,690	2,010,623	7,936,494	(96,104,259)	(12,822,084)

Gasol Plc

Company Statement of Changes in Equity for the year ended 31 March 2013

	Share capital £	Share premium £	Convertible loan reserve £	Warrant and option reserve £	Capital redemption reserve £	Accumulated losses £	Total equity £
At 1 April 2012	7,598,463	72,989,363	187,286	1,774,810	-	(81,889,887)	660,035
Loss for the year	-	-	-	-	-	(4,011,590)	(4,011,590)
Total comprehensive income for the year	-	-	-	-	-	(4,011,590)	(4,011,590)
Buy back and subsequent cancellation of shares	(7,936,494)	-	-	-	7,936,494	-	-
Loan conversion	500,000	-	(370,163)	-	-	370,163	500,000
Warrants issued on lines of funding	-	-	-	252,180	-	-	252,180
Credit to equity due to the convertible loan	-	-	182,877	-	-	-	182,877
Share-based payments	5,589	146,447	-	-	-	-	152,036
At 31 March 2013	167,558	73,135,810	-	2,026,990	7,936,494	(85,531,314)	(2,264,462)

**Consolidated Statement of Financial Position
as at 31 March 2014**

Registered Number: 05350159

	Note	31 March 2014 £	31 March 2013 £
Assets			
Non-current assets			
Goodwill	9	-	3,000,000
Property, plant and equipment	10	3,200	1,397
Other receivables	11	1,523,150	-
Total non-current assets		1,526,350	3,001,397
Current assets			
Trade and other receivables	11	3,282,435	718,515
Cash and cash equivalents	18	11,695,933	6,750,255
Total current assets		14,978,368	7,468,770
Total assets		16,504,718	10,470,167
Liabilities			
Current liabilities			
Trade and other payables	12	2,177,234	656,268
Borrowings	13	1,026,360	767,325
Total current liabilities		3,203,594	1,423,593
Net current assets		11,774,774	6,045,177
Non-current liabilities			
Borrowings	13	26,092,996	11,280,418
Net liabilities		(12,791,872)	(2,233,844)
Equity			
Share capital	15	167,558	167,558
Share premium	15	73,135,810	73,135,810
Reverse acquisition reserve		(63,104,556)	(63,104,556)
Total issued equity		10,198,812	10,198,812
Capital contribution reserve		83,787	83,787
Convertible loan reserve		31,690	-
Capital redemption reserve		7,936,494	7,936,494
Translation reserve		12,267	12,267
Warrant and option reserve		2,010,623	2,026,990
Accumulated losses		(33,065,545)	(22,492,194)
Total equity attributable to equity holders of the parent		(12,791,872)	(2,233,844)

The notes on pages 20 to 52 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 11 September 2014.


Alan Buxton
Chief Operating Officer

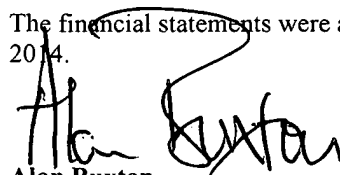
**Company Statement of Financial Position
as at 31 March 2014**

Registered Number: 05350159

	Note	31 March 2014 £	31 March 2013 £
Assets			
Non-current assets			
Goodwill	9	-	3,000,000
Investments	25	3	-
Property, plant and equipment	10	3,200	1,397
Other receivables	26	1,523,150	-
Total non-current assets		1,526,353	3,001,397
Current assets			
Trade and other receivables	26	3,250,983	687,065
Cash and cash equivalents	28	11,696,134	6,750,047
Total current assets		14,947,117	7,437,112
Total assets		16,473,470	10,438,509
Liabilities			
Current liabilities			
Trade and other payables	27	2,179,198	655,228
Borrowings	13	1,026,360	767,325
Total current liabilities		3,205,558	1,422,553
Net current assets		13,267,912	6,014,559
Non-current liabilities			
Borrowings	13	26,092,996	11,280,418
Net liabilities		(12,822,084)	(2,264,462)
Equity			
Share capital	15	167,558	167,558
Share premium	15	73,135,810	73,135,810
Convertible loan reserve		31,690	-
Warrant and option reserve		2,010,623	2,026,990
Accumulated losses		(96,104,259)	(85,531,314)
Capital redemption reserve		7,936,494	7,936,494
Total equity attributable to equity holders of the parent		(12,822,084)	(2,264,462)

The notes on pages 20 to 59 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 11 September 2014.


Alan Buxton
Chief Operating Officer

Consolidated Statement of Cash Flows for the year ended 31 March 2014

		Year ended 31 March 2014 £	Year ended 31 March 2013 £
	Note		
Loss before taxation		(10,632,295)	(4,030,308)
Adjustments for:			
Finance income	6	(100,636)	(14,262)
Finance costs	7	2,531,078	731,116
Depreciation charges	10	2,044	1,532
Impairment of goodwill	9	3,000,000	-
Share-based payment charge	16	86,508	99,477
Operating cash flows before movements in working capital		(5,113,301)	(3,212,445)
Increase in receivables	11	(4,087,071)	(527,677)
Increase in payables	12	951,595	247,341
Net cash used in operating activities		(8,248,777)	(3,492,781)
Cash flows from investing activities			
Interest received		6,144	26
Purchase of tangible fixed assets		(3,847)	-
Net cash received from investing activities		2,297	26
Cash flows from financing activities			
Interest paid		(1,484,734)	(67,430)
Repayment of loan	13	(364,438)	(3,008,136)
Proceeds from issue of convertible loan notes	13	-	2,519,081
Proceeds from issue of bond instruments	13	18,528,600	13,217,600
Commission costs on issue of bond instruments	13	(3,487,270)	(2,624,348)
Net cash generated from financing activities		13,192,158	10,036,767
Net increase in cash and cash equivalents		4,945,678	6,544,012
Cash and cash equivalents at beginning of year		6,750,255	206,243
Cash and cash equivalents at end of year	18	11,695,933	6,750,255

The notes on pages 20 to 52 form part of these financial statements.

**Company Statement of Cash Flows
as at 31 March 2014**

	Note	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Loss before taxation		(10,631,889)	(4,011,590)
Adjustments for:			
Finance income	6	(100,636)	(14,262)
Finance costs	7	2,531,078	731,116
Depreciation of property, plant and equipment	10	2,044	1,532
Impairment of goodwill	9	3,000,000	-
Share-based payment charge	16	86,508	99,477
Operating cash flows before movements in working capital		(5,112,895)	(3,193,727)
Increase in receivables	26	(4,087,068)	(527,677)
Increase in payables	27	951,186	246,813
Net cash used in operating activities		<u>(8,248,777)</u>	<u>(3,474,591)</u>
Cash flows from investing activities			
Interest received		6,144	26
Purchase of tangible fixed assets		<u>(3,847)</u>	<u>-</u>
Net cash generated from investing activities		<u>2,297</u>	<u>26</u>
Cash flows from financing activities			
Interest paid		(1,484,734)	(67,431)
Repayment of loan	13	(364,438)	(3,008,135)
Proceeds from issue of convertible loan note	13	-	2,519,081
Proceeds from issue of bond instruments	13	18,528,600	13,217,600
Commission costs on bond instruments	13	<u>(3,487,270)</u>	<u>(2,624,348)</u>
Net cash generated from financing activities		<u>13,192,158</u>	<u>10,036,767</u>
Net increase in cash and cash equivalents		4,946,087	6,562,202
Cash and cash equivalents at start of year		6,750,047	187,845
Cash and cash equivalents at end of year	28	<u>11,696,134</u>	<u>6,750,047</u>

The notes on pages 53 to 59 form part of these financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2014

1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively “IFRS”) issued by the International Accounting Standards Board (“IASB”) as adopted by the European Union (“adopted IFRSs”), and are in accordance with IFRS as issued by the IASB.

The consolidated financial statements have been prepared under the historical cost basis, except for the revaluation of financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies are set out in note 2.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the Group’s management to exercise judgement in the most appropriate application in applying the Group’s accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

Going concern

The Group does not currently hold sufficient cash or liquid assets in order to meet its commitments as they fall due for the next 12 months. Among its commitments the Group has guaranteed US\$ 23 million Senior Notes maturing 13 November 2014 which have been issued by Afrique Energie Corporation (“AEC”), a company in which Gasol has a 47% equity interest. The directors are confident that AEC, whose principal asset is a 10% holding in Panoro Energy ASA, will be in a position, through the business proposal it is currently structuring and negotiating, to reimburse its senior notes or to renegotiate the terms, and as a consequence believe that the Group’s guarantee will not be called.

The directors have prepared cash flow forecasts which also indicate that, even if the guarantee is not called, the Group will require additional funding within the next 6 to 12 months in order to meet its existing commitments such as loan repayments as they fall due.

The Group is currently involved in discussions with external investors and advisors to secure future financing arrangements in the form of debt, bond or equity instruments. The Directors believe that based on preliminary discussions the outcome will be positive. The Board is also confident that it retains the continuing support from its major shareholders to provide additional funding should other sources not be forthcoming.

With the expectation of the Group not being called on its guarantees to AEC and formally agreeing new funding from its major shareholders and other financial investors, the Directors have a reasonable expectation that the Group will have adequate resources to continue trading for the foreseeable future and have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis. However, the Directors appreciate that the current lack of formal agreements mean there can be no certainty that the additional funding will be secured within the necessary timescale or that the guarantees will not be called.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group’s and the Company’s ability to continue as a going concern.

**Notes to the consolidated financial statements
for the year ended 31 March 2014****NEW AND AMENDED IFRS STANDARDS**

The IASB and IFRIC have issued the following standards and interpretations with effective dates as noted below:

Standard	Key requirements	Effective date as adopted by the EU
Amendment to IAS 1, 'Financial statement presentation regarding comparatives'	The amendment clarifies the difference between voluntary additional comparative information and the minimum required comparative information.	1 January 2013
Amendment to IAS 16, 'Property, plant and equipment'	The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment.	1 January 2013
Amendment to IAS 32, 'Financial instruments: Presentation'	The amendment clarifies the treatment of corporation tax relating to distributions and transaction costs such that corporation tax related to distributions is recognised in the income statement and the corporation tax related to the costs of equity transactions is recognised in equity.	1 January 2013
Amendment to IAS 34, 'Interim financial reporting'	The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements to bring it in line with the requirements of IFRS 8	1 January 2013
Amendment to IFRS 7, 'Financial Instruments: Offsetting Financial Assets and Financial Liabilities'	The amendments require entities to disclose information about the rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar agreement.	1 January 2013
IFRS 13, Fair value measurement	The standard's objective is to define fair value on the basis of an 'exit price' notion and uses a 'fair value hierarchy', which results in a market-based, rather than entity-specific, measurement.	1 January 2013

**Notes to the consolidated financial statements
for the year ended 31 March 2014****STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The following standards and amendments to existing standards have been published and are mandatory from the financial year on or after the effective dates shown below but are not currently relevant to the Company (although they may affect the accounting for future transactions and events).

Topic	Key requirements	Effective date as adopted by the EU
IFRS 10, 'Consolidated financial statements' and corresponding amendment to IAS 27, 'Consolidated and separate financial statements'	IFRS 10 replaces guidance in IAS 27 regarding the principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. It builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.	1 January 2014
IFRS 11, 'Joint Arrangements'	IFRS 11 is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed.	1 January 2014
Amendment to IAS 28, 'Associates and joint ventures'	IAS 28 includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.	1 January 2014
IFRS 12, 'Disclosure of interests in other entities'	Provides disclosure requirements for IFRS 10, IFRS 11 and IAS 28 (Associates) and introduces disclosure requirements for unconsolidated structured entities.	1 January 2014
Amendment to IAS 32, 'Offsetting Financial Assets and Financial Liabilities'	The amendments clarify existing application issues relating to the offsetting requirements of financial assets and liabilities	1 January 2014

The Group has not adopted any Standards or Interpretations in advance of the required implementation dates. It is not expected that adoption of Standards or Interpretation which have been issued by the IASB but have not been adopted will have a material impact on the financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2014

2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (the subsidiaries) made up to 31 March 2014. Control is achieved where the Company has the power to govern the financial and operational policies of an entity so as to gain benefit from its activities. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets or liabilities of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. For this reason, no non-controlling interests are recognised in these financial statements.

The Company has taken advantage of the exemption under section 408 (3) of the Companies Act 2006 and has not presented its Statement of Comprehensive Income in these financial statements. The Company's Statement of Comprehensive Income for the year ended 31 March 2014 includes a loss after tax of £7,631,889 (2013: £4,011,590).

Joint arrangements

The group has applied IFRS 11 to all joint arrangements as of 1 January 2012. Under IFRS 11 Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Gasol plc has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the group's share of losses in a joint venture equals or exceeds its interest in the joint ventures, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the group.

Goodwill

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

2. Significant accounting policies (continued)

Goodwill is not amortised but is reviewed for impairment annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

Foreign currencies

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (the functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in pounds sterling (£), which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Notes to the consolidated financial statements for the year ended 31 March 2014

2. Significant accounting policies (continued)

Operating profit

Operating profit is stated after charging restructuring costs and after the share of results of associates but before investment income and finance costs.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, including those arising on investments in subsidiaries and associates and interest in joint ventures, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Property, plant and equipment

Office equipment and fixtures and fittings are stated at cost of acquisition less accumulated depreciation and any recognised impairment loss.

Depreciation of these assets is calculated on a straight line basis as follows:

Office equipment	2 years
Fixtures and fittings	4 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Financial instruments

Financial assets and financial liabilities are recognised at fair value in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition except for those financial assets and liabilities held as fair value through profit or loss ('FVTPL') where the transaction costs is recognised in profit or loss.

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

2. Significant accounting policies (continued)

Trade receivables

Trade receivables are generally carried at original invoice amount less a provision for bad and doubtful debts (if any) and do not bear interest. They are initially recognised at fair value, and are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade payables

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash with three months or less remaining to maturity from the date of acquisition and that are subject to an insignificant risk of change in value.

Financial liabilities and equity

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 Group after deducting all of its liabilities.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and reward of ownership of the asset to another entity.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Compound Financial Instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder. The number of shares to be issued does not vary with changes in fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

2. Significant accounting policies (continued)

Subsequent to their initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition, except on conversion or expiry.

Derivative financial instruments

The Group entered into convertible loan notes where the conversion terms of the loan into equity are variable depending on the share price of the shares at the date of conversion. Further details of derivative financial instruments are disclosed in note 19.

Derivatives are initially recognised at fair value at the grant date and are subsequently measured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 month. Other derivatives are presented as current assets or current liabilities.

Share-based payments and warrants

The Group issues equity-settled share-based payments to certain employees and warrants to institutional investors as part of funding activities. Equity-settled share-based payments and warrants are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Actual results may vary from the estimates used to produce these financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant items subject to such estimates and assumptions include, but are not limited to:

Notes to the consolidated financial statements for the year ended 31 March 2014

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The goodwill represents the potential value of the current portfolio of projects and the value is underpinned by the economic benefit of future cash flows generated from the project portfolio.

The main risks and sensitivities impacting the valuation of the goodwill relate to the following:

- ability of upstream partners to secure the gas assets;
- obtaining government approvals;
- reaching binding joint venture agreements between the parties;
- securing sufficient funding to meet expected project development costs; and
- Delivering gas within the projected timeframe.

The Directors' have made an economic assessment of the project portfolio and decided to recognise an impairment charge for the entire amount as although there is potential for future expected value, the nature of the cash generating unit that original supported that goodwill has changed, and therefore have taken the decision to recognise an impairment of £3,000,000 (see note 9).

The Directors will continue to monitor the valuation of the cash-generating units that support the goodwill.

Valuation of embedded derivatives

The convertible bond note has two components and IAS 32 requires that as the number of shares to be converted is not fixed, these be valued separately. IAS 39 requires the calculation of the fair value of the option at recognition and then fair valued at the year end. The embedded derivative has been fair valued using the Black Scholes model which requires critical judgements in order to ascertain the Group share price variability. At the year end the fair value of the embedded derivative was £54,609 (2013: £129,665). Further details can be found in note 15.

Other areas

Other estimates include but are not limited to the allowance for doubtful accounts; future cash flows associated with assets; useful lives for depreciation, depletion and amortisation and fair value of financial instruments.

Notes to the consolidated financial statements for the year ended 31 March 2014

4. Operating loss and auditor's remuneration

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Group operating loss for the year is stated after charging the following:		
Staff costs (note 5)	1,484,422	1,102,329
Depreciation of property, plant and equipment	2,044	1,532
Operating lease payments	179,588	189,531
Share-based payments (note 16)	86,508	99,477
Legal, professional and consultancy fees	954,498	1,234,752
Auditor's remuneration	30,114	31,300
Other expenses	1,285,459	722,533
Total administrative expenses	4,022,633	3,381,454
Auditor's remuneration		
- Audit of the Group and Company financial statements	23,764	24,300
- Audit of the Group's subsidiaries pursuant to legislation	3,500	3,500
Total audit fees	27,264	27,800
Other services		
- All other services	2,850	129,577

Exceptional items

During the year there were £1,247,220 transaction costs (2013: £nil) which relate to the attempted acquisition of Energie de Cote d'Ivoire S.A. These costs are not expected to be incurred on an ongoing basis and therefore have been classified as an exceptional cost.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2014

5. Staff costs

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Directors' fees and emoluments (note 22)	601,542	449,416
Wages and salaries	660,657	469,451
Pension costs	76,939	70,693
Social security costs	145,284	112,769
	<u>1,484,422</u>	<u>1,102,329</u>
The average number of employees (including executive Directors) employed by the Group during the year was:		
	Number	Number
Management and finance	4	5
Administrative and support	6	5
	<u>10</u>	<u>10</u>

In the year ended 31 March 2014, employee remuneration included £56,939 of payments into defined contribution pension payments (2013: £54,026).

Share-based charges as remuneration totalled £nil for Executive Directors (2013: £22,535).

During the year Haresh Kanabar and Ewen Wigley received £nil (2013: £100,000) and £nil (2013: £20,000) respectively as Directors remuneration as a direct result of raising bond financing. These amounts have been disclosed as finance costs and are recognised over the term of the loan. See note 13 for more details.

6. Finance income

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Interest received on bank deposits	6,144	26
Accrued interest from related party	94,492	14,236
	<u>100,636</u>	<u>14,262</u>

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

7. Finance costs

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Convertible loan and bond instrument interest	2,038,743	252,288
Cost of borrowing – warrant award	35,271	319,189
Cost of borrowing – commission costs	1,420,195	72,666
Fair value adjustment on embedded derivatives (see note 13)	(76,861)	53,466
Foreign exchange	(895,017)	25,809
Other interest	8,747	7,698
	<u>2,531,078</u>	<u>731,116</u>

8. Taxation

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Loss before taxation	(10,632,295)	(4,030,308)
Loss before taxation at the standard rate of corporation tax in the UK of 23% (2013: 24%)	(2,445,428)	(967,274)
Effects of:		
Expenses not deductible for tax purposes	695,306	39,517
Unutilised tax losses	<u>1,750,122</u>	<u>927,757</u>
Current tax charge	<u>-</u>	<u>-</u>

The Group has incurred tax losses for the period and a corporation tax charge is not anticipated. The amount of the unutilised tax losses has not been recognised in the financial statements as the recovery of this benefit is dependent on the future profitability of certain subsidiaries, the timing of which cannot be reasonably foreseen.

If the Group makes profits in the future, unrecognised timing differences of approximately £29.6m at 31 March 2014 (2013: £21.99m) would be recognised at a rate of 21% (2013: 24%).

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2014

9. Goodwill

	£
Cost	
At 1 April 2012, 31 March 2013 and 31 March 2014	<u>3,394,911</u>
Accumulated impairment losses	
At 1 April 2012	394,911
Impairment during the year	-
At 31 March 2013	<u>394,911</u>
Impairment during the year	3,000,000
At 31 March 2014	<u>3,394,911</u>
Carrying amount	
At 31 March 2014	<u>-</u>
At 31 March 2013	<u>3,000,000</u>
At 31 March 2012	<u>3,000,000</u>

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGUs") that are expected to benefit from that business combination. There is only considered to be one CGU in the Group which is the activities in the supply of gas and LNG to power projects and other industrial users. The initial recognition of the goodwill arose from the purchase of African LNG through reverse acquisition. At this time, the Group had a number of projects in West Africa.

Gasol's current project of importing LNG in Benin to be regasified and sold in different countries through the WAGP has now reached a significantly advanced form, especially after the signing of a full Gas Supply Agreement with the Volta River Authority. However, although the basic principles are the same, this project is in many aspects different from the projects that African LNG Holding Limited was structuring back in 2008. Therefore, management have decided to write-off the goodwill in full to reflect the change in scope despite the Company estimating that the new project in Benin has a significantly higher value in use than the £3,000,000 goodwill.

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. Details of key assumptions and variables used are outlined in note 3.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2014

10. Property, plant and equipment

	Office equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2012 and 1 April 2013	115,263	407,328	522,591
Additions	3,847	-	3,847
Disposals	(11,387)	(407,328)	(418,715)
At 31 March 2014	107,723	-	107,723
Depreciation			
At 1 April 2012	112,334	407,328	519,662
Charge for the year	1,532	-	1,532
At 31 March 2013	113,866	407,328	521,194
Charge for the year	2,044	-	2,044
Depreciation on disposal	(11,387)	(407,328)	(418,715)
At 31 March 2014	104,523	-	104,523
Carrying amount			
At 31 March 2014	3,200	-	3,200
At 31 March 2013	1,397	-	1,397
At 31 March 2012	2,929	-	2,929

No impairment losses have been realised on any property, plant and equipment during the year (2013: £nil).

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

11. Trade and other receivables

	31 March 2014 £	31 March 2013 £
Non-current assets:		
Other receivables	1,523,150	-
	<u>1,523,150</u>	<u>-</u>
Current assets:		
VAT recoverable	177,163	24,146
Prepayments and accrued income	140,133	196,298
Other receivables	1,243,401	57,331
Amounts owed by related parties	1,721,738	440,740
	<u>3,282,435</u>	<u>718,515</u>

An amount of £1,523,150 (\$2,500,000) was advanced to AIOG as part of a strategic partnership agreement. This is included in non-current assets as it is not repayable until 15 January 2016. See note 20 for more details on this advance.

Included in amounts owed by related parties is a loan advanced to African Power Generation Limited ("AfGen") amounting to £1,715,304 (2013: £434,307). This debt is guaranteed by African Gas Development Corporation ("AGDC"), a major shareholder of Gasol. See note 22 for further details.

Included in current other receivables is the break fee of the proposed acquisition of the Energie de Cote d'Ivoire from GDF Suez amounting to £1.1 million (2013: £nil)

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

12. Trade and other payables

	31 March 2014 £	31 March 2013 £
Other taxes and social security	35,782	124,387
Accruals	468,687	186,955
Trade payables	1,672,765	344,747
Other payables	-	179
	<u>2,177,234</u>	<u>656,268</u>

The accruals balance includes a balance in relation to an unpaid Directors bonus at the year end of £nil (2013: £20,000).

Trade and other payables are significantly higher in 2014 due to costs incurred in relation to the aborted transaction fees.

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe and no interest has been charged by any suppliers as a result of late payment of invoices during the period.

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

13. Borrowings

Current liabilities	31 March 2014 £	31 March 2013 £
Convertible loan note	1,002,550	741,650
Embedded derivative	54,609	57,949
Loan fees – warrant charge (note 16)	(30,799)	(32,274)
	<u>1,026,360</u>	<u>767,325</u>
Non-current liabilities	31 March 2014 £	31 March 2013 £
Convertible loan note	-	609,753
Embedded derivative	-	71,716
Bond instrument	30,828,145	13,327,746
Loan fees – warrant charge (note 16)	(116,391)	(177,115)
Loan fees – Finance costs	(4,618,758)	(2,551,682)
	<u>26,092,996</u>	<u>11,280,418</u>

The embedded derivatives attached to the convertible loans are treated as financial instruments held at fair value through profit and loss. As a result, a loss of £75,056 (2013: gain of £53,466) has been recognised in the income statement as finance costs representing the fair value adjustment. This has been calculated as the difference between the convertible option value at the grant date of the loan £54,609 and the fair value of the option at 31 March 2013 of £129,665.

The movement on each loan can be summarised as follows:

	Bond instrument 1 £	Bond instrument 2 £	Convertible loan 3 £	Convertible loan 4 £	Total £
Balance at 1 April 2013	10,631,826	-	648,592	767,325	12,047,743
Cash raised on new loans	-	18,528,600	-	-	18,528,600
Cash issue cost of new loans	-	(3,487,270)	-	-	(3,487,270)
Warrants issued	-	-	-	(22,392)	(22,392)
Cash repayments	(1,227,224)	(257,515)	-	(364,438)	(1,849,177)
Finance charge: coupon interest	1,286,299	694,823	26,928	30,693	2,038,743
Finance charge: other charges	924,315	523,727	15,770	(44,428)	1,419,384
FX revaluation	(1,022,685)	(501,900)	-	-	(1,524,585)
Convertible element of loan	-	-	-	(31,690)	(31,690)
Balance at 31 March 2014	10,592,531	15,500,465	691,290	335,070	27,119,356

Notes to the consolidated financial statements for the year ended 31 March 2014

13. Borrowings (continued)

Bond instrument 1

On 5 March 2013, a bond instrument was agreed and entered into of \$100,000,000 (£66,088,000) of which an initial \$20,000,000 (£13,217,600) has been drawn down. The repayment date of the bond is the 28 February 2016, with interest accruing at 10% payable semi-annually. The effective annual interest rate is 19.95%. The loan provider was granted 1,000,000 warrants in relation to the financing – see note 16 for further details.

Bond instrument 2

On 28 October 2013, a bond instrument was agreed and entered into of \$100,000,000 (£58,365,070) of which an initial \$30,000,000 (£18,528,600) has been drawn down. The repayment date of the bond is the 31 December 2017, with interest accruing at 9% payable semi-annually and rising to 13% on 24 October 2014 if certain conditions about subordinated pledges are not met. The effective annual interest rate is 15.95%.

Convertible loan 3

On 15 March 2013, a convertible loan agreement with Socar Trading S.A. of £670,825 was entered into of which the whole amount has been drawn down. The repayment date of the loan is the 15 March 2015, with interest accruing at 4% compounded annually, payable in full on conversion or repayment.

Repayment of the loan at the lender's option can be:

- In cash; or
- In shares - calculated as the aggregate loan plus accrued interest by a price which is the lower of (i) £0.18 and (ii) the 90 day volume weighted average price of a Share on the London Stock exchange on the date of the conversion notice, provided this is not lower than £0.05.

This option to convert the loan into shares has been treated as a separate financial instrument as an embedded derivative.

Convertible loan 4

On 30 December 2013, half of a maturing loan facility with Banque Benedict Hentsch & CIE SA ("BBH") was rolled over into a new convertible loan facility amounting to £364,438 with the remaining amount repaid in cash. The repayment date of the new facility is 30 December 2014, with interest accruing at 5% compounded annually, payable in full on conversion or repayment. As part of the new loan a further 120,000 new warrants were issued – see Note 16.

Repayment of the loan at the lenders' option will be:

- In cash; or
- In shares – calculated as the aggregate loan plus accrued interest divided by £0.30.

This option to convert the loan into shares has been treated as a convertible loan due to the amount of shares in question being fixed.

All outstanding capital and interest on this convertible loan was repaid for cash on 2 May 2014.

Notes to the consolidated financial statements for the year ended 31 March 2014

13. Borrowings (continued)

Total movements in borrowings can be summarised as follows:

Borrowings	31 March 2014 £	31 March 2013 £
Brought forward	12,047,743	2,115,440
Cash issue of new convertible loans	-	2,519,081
Cash issue of new bond	18,528,600	13,217,600
Cash repayment of convertible loans	(364,438)	(3,008,136)
Cash commission costs recognised	(3,487,270)	(2,624,348)
Repayment of convertible loan with shares	-	(500,000)
Non-cash finance charge	554,005	247,837
Recognition of equity element	-	(182,877)
Unwinding loan fees	82,653	289,717
Embedded derivative	(76,861)	53,466
Loan fees – warrant charge (note 16)	(58,944)	(152,703)
Unwinding of commission costs	1,418,453	72,666
Foreign exchange revaluation	(1,524,585)	-
	27,119,356	12,047,743

The bond instrument and the Socar Trading S.A. loan have commission costs of £3,487,270 (2013: £2,624,348) and Directors fees of £nil (2013: £120,000) which are directly attributable to the raising of the loan and have therefore been recognised as part of the cost over the term of the loan on a straight line basis.

14. Operating lease arrangements

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

Group and Company	31 March 2014 £	31 March 2013 £
Within one year	246,684	246,684
Between one and five years	596,153	842,837
Over five years	-	-
	842,837	1,089,521

At the balance sheet date, the Group had no outstanding commitment for future minimum operating lease payments after the next five years.

A sub-lease is in place with International Mining and Infrastructure Corporation plc who paid £98,511 (2013: £80,218) in rent and service charges during the year ended 31 March 2014.

The operating lease relates to the lease of office premises at 40 New Bond Street, London which will continue to run until August 2017.

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

15. Share capital

	31 March 2014 Number	31 March 2013 Number	31 March 2014 £	31 March 2013 £
Authorised:				
Ordinary shares of 0.5p each	<u>40,000,000</u>	<u>40,000,000</u>	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid				
Ordinary shares of 0.5p each	<u>33,511,698</u>	<u>33,511,698</u>	<u>167,558</u>	<u>167,558</u>

Movements in issued share capital

	Number of Ordinary Shares No.	Ordinary Share Capital £	Share Premium £	Number of Deferred shares No.	Deferred Shares £	Total £
As at 1 April 2012	1,519,692,521	7,598,463	72,989,363	-	-	80,587,826
Shares issued pre-share consolidation	100,000,029	500,000	-	-	-	500,000
Share consolidation	(1,587,298,689)	-	-	-	-	-
Share split	-	(7,936,494)	-	32,393,851	7,936,494	-
Share buy-back	-	-	-	(32,393,851)	(7,936,494)	(7,936,494)
Share-based payment	<u>1,117,837</u>	<u>5,589</u>	<u>146,447</u>	<u>-</u>	<u>-</u>	<u>152,036</u>
At 31 March 2013 and 31 March 2014	<u>33,511,698</u>	<u>167,558</u>	<u>73,135,810</u>	<u>-</u>	<u>-</u>	<u>73,303,368</u>

The Company has one class of ordinary share which carries no right to fixed income.

Shares reserved under warrants issued as part of the loan financing received in December 2012 and employee share schemes are further disclosed in note 16.

Notes to the consolidated financial statements for the year ended 31 March 2014

16. Share options and other share-based payments

The following illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options and warrants during the period.

	Number of share options and warrants year ended 31 March 2014	WAEP pence 2014	Number of share options and warrants year ended 31 March 2013	WAEP pence 2013
Outstanding at beginning of the year	2,595,333	132.5	1,835,333	132.5
Granted during the period	120,000	30.0	1,560,000	38.0
Lapsed during the period	(640,000)	11.64	(800,000)	93.0
Outstanding at end of the year	2,075,333	65.53	2,595,333	78.0
Exercisable at end of the year	1,875,333	66.33	2,345,333	88.0

The weighted average remaining contractual life of the options and warrants outstanding at the balance sheet date was 5.88 years (2013: 5.21 years) and a range of exercise price of 20p to 2000p

The following table lists the inputs to the model used to determine the fair value of options and warrants granted:

	Year ended 31 March 2014	Year ended 31 March 2013
Pricing model used	Black-Scholes	Black-Scholes
Weighted average share price at grant date (pence)	34	23
Weighted average exercise price (pence)	30	38
Weighted average contractual life (years)	1.00	4.13
Share price volatility (%)	139%	129%
Dividend yield	0%	0%
Risk-free interest rate (%)	2.5%	2.5%

In forming the volatility assumptions the Directors have considered the volatility of the share price since the date of listing. The volatility of companies operating in the same sector has also been reviewed.

The total share-based payment expense for the year ended 31 March 2014 was £86,508 (2013: £99,477) in relation to share options and warrants. Of this, £11,777 (2013: £67,202) related to share options and £74,731 (2013: £32,275) related to the warrants issued. Warrants costs are held as a debit balance against the loan issued and released to the income statement over the term of the loan. As at 31 March 2014 £147,190 (2013: £209,389) is deferred against the loan to match the life of the borrowings (note 13).

Notes to the consolidated financial statements for the year ended 31 March 2014

16. Share options and other share-based payments (continued)

On 30 December 2013 the loan advanced by Banque Benedict Hentsch & CIE SA was partially repaid. The remaining £364,438 was rolled over, carrying an interest rate of 5%, of which repayment may be made in cash or in shares in Gasol. Attached to this convertible loan are 120,000 warrants instruments with an exercise price being 30 pence.

Ordinary shares resulting from the exercise of any such rights will rank pari passu in all respects with the Gasol ordinary shares in issue at the time of such exercise.

All share-based payments are equity-settled.

17. Subsidiaries and joint ventures

Details of the Company's subsidiaries and joint ventures at 31 March 2014 are as follows:

Name	Place of incorporation (or registration) and operation	Activity	Proportion of ownership interest %	Proportion of voting power held %
African LNG Holdings Limited	The Republic of Seychelles	LNG operations	100%	100%
African LNG Services Limited	United Kingdom	Services company	100%	100%
Afgas Infrastructure Limited	The Republic of Seychelles	Infrastructure development	75%	75%
Afgas Nigeria Limited	Nigeria	Energy research	75%	75%
SONAF G.E.S.A	Equatorial Guinea	Energy research	50%	50%

The investment in the 50% of SONAF has been consolidated using the proportional consolidation method. In 2011 a provision was made against amounts due from the joint venture.

**Notes to the consolidated financial statements
for the year ended 31 March 2014**

18. Cash and cash equivalents

	31 March 2014 £	31 March 2013 £
Cash at hand and in bank	<u>11,695,933</u>	<u>6,750,255</u>

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less.

The majority of the cash balances are held at banks with a Standard and Poor's credit rating of at least AA- and registered in the United Kingdom. Balances held with foreign banks are insignificant.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

Notes to the consolidated financial statements for the year ended 31 March 2014

19. Financial instrument risk exposure and management

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Borrowings
- Embedded derivatives financial instruments

Financial instruments by class and by category

		Loans and Receivables	
		31 March 2014	31 March 2013
		£	£
Non-current financial assets			
Trade and other receivables		1,523,150	-
Current financial assets			
Trade and other receivables		2,965,139	498,071
Cash and cash equivalents (level 1)		11,695,933	6,750,255
Total financial assets		16,184,222	7,248,326
Financial liabilities measured at amortised cost			
		31 March 2014	31 March 2013
		£	£
Current financial liabilities			
Borrowings (level 2)		1,026,360	709,376
Accruals		468,687	186,953
Trade and other payables		1,672,764	344,925
		3,167,811	1,241,254
Non-current financial liabilities			
Borrowings (level 2)		26,092,996	11,208,418
Total financial liabilities		29,260,807	12,449,672

Notes to the consolidated financial statements for the year ended 31 March 2014

19. Financial instrument risk exposure and management (continued)

	Financial liabilities measured at fair value through profit and loss	
	31 March 2014 £	31 March 2013 £
Current financial liabilities		
Embedded derivatives	54,609	57,949
Non- current financial liabilities		
Embedded derivatives	-	71,716

All financial instruments, except derivatives, are defined as any contract that gives rise to both the recognition of a financial asset in one entity and a financial liability or equity instrument in another entity. The estimated fair value of a financial instrument is the amount at which the instrument could be exchanged in the market. For the purpose of estimating the fair value of financial assets maturing in less than one year, the Group uses the market value. For other investments, the Group uses quoted prices in the market. In relation to financial liabilities, since most loans are taken at variable rates or fixed rates that approximate to market rates, the fair value of loans approximates their carrying value.

Set out below is a comparison of the carrying amount and fair values of the Group's financial instruments.

The different levels have been defined as follows:

Level 1: valued using trading prices (unadjusted) in active markets for identical assets and liabilities; -

Level 2: valued using inputs that are observable for the asset or liability, either directly (that is as prices), or indirectly (that are derived from prices); and

Level 3: valued using inputs that are not observable for the asset or liability.

The directors consider that the carrying amounts of financial assets and financial liabilities which are recorded at amortised cost in the financial statements approximate their fair values for current and non-current loans.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The Board receives monthly reports from the Group Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below and in note 2 of these financial statements:

Credit risk

Cash and cash equivalents

The Group's principal financial assets are bank balances and trade and other receivables.

Notes to the consolidated financial statements for the year ended 31 March 2014

19. Financial instrument risk exposure and management (continued)

Credit risk arises principally from the Group's cash balances with further risk arising due to its other receivables. Credit risk is the risk that the counterparty fails to repay its obligation in respect of the amounts owed.

The concentration of the Group's credit risk is considered by counterparty, geography and by currency. The Group has a significant concentration of cash held on deposit with a number of large banks in the United Kingdom with A ratings and above (Standard and Poor). At 31 March 2014 the concentration of credit risk was as follows:

Counterparty	31 March 2014 £	31 March 2013 £
HSBC Bank Plc	596	656
Barclays Bank Plc	11,692,879	6,746,744
Other banks	2,458	2,855
	<u>11,695,933</u>	<u>6,750,255</u>

Trade receivables

At the year end, the credit risk relates to two outstanding receivable balances. There is an amount owed to the Group from Afgen which are amounts extended as working capital which are repayable with additional 10% interest. This amounts to £1,715,305 (2013: £434,307) and is considered recoverable through a discount on the price option to purchase shares. This debt is guaranteed by AGDC, a major shareholder of Gasol. There is also an amount of £1,523,150 (\$2,500,000) which was advanced to AIOG, as part of a special strategic alliance. This amount is recoverable on the 15th January 2016 contingent on whether a project identified is entered into.

As the overall exposure to trade and other receivables is not currently extensive, no formal procedure is in place for monitoring and collecting amounts owed to Gasol. A risk management framework will be developed over time, as appropriate to the size and complexity of the business.

No trade and other receivables are past their due settlement date. The Directors consider that the carrying amount of trade and other receivables approximates to their fair value and no impairment has been deemed necessary in the year (2013: £nil).

An allowance for impairment is made where there is an identified loss amount, which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. Management considers the above measures to be sufficient to control credit risk exposure.

The total estimated credit risk of the Group at 31 March 2014 was £15,122,433 (2013: £7,266,517).

Notes to the consolidated financial statements for the year ended 31 March 2014

19. Financial instrument risk exposure and management (continued)

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Group monitors its cash balance on a daily basis and produces forecasts of its required expenditure over the coming year for review by management. Management can then take action to secure the right amount of funding at the appropriate time. At the period end the projections indicate that the Group expects to have sufficient access to liquid resources to meet its obligations.

There is no significant difference between the carrying value and fair value of the current and non-current financial liabilities recorded in the Group's balance sheet.

Maturity of financial liabilities

At 31 March 2014	Payable within 30 days £	Payable between 30 days and one year £	Due after one year £
Accruals	468,687	-	-
Trade and other payables	1,672,764	-	-
Borrowings	-	1,026,360	26,092,996
Embedded derivatives	-	54,609	-
Total financial liabilities	2,141,451	1,080,969	26,092,996

Notes to the consolidated financial statements for the year ended 31 March 2014

19. Financial instrument risk exposure and management (continued)

At 31 March 2013	Payable within 30 days £	Payable between 30 days and one year £	Due after one year £
Accruals	186,953	-	-
Trade and other payables	344,925	-	-
Borrowings	-	709,376	11,208,702
Embedded derivatives	-	57,949	71,716
Total financial liabilities	531,878	767,325	11,280,418

Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group has interest bearing assets and liabilities, being cash and cash equivalents, other receivables and borrowings respectively. However, no interest is currently received in cash and cash equivalents and all borrowings are subject to fixed interest rates. The Group therefore does not suffer from any interest rate risk and consequently sensitivity analysis is not considered necessary.

Foreign currency risk

As highlighted earlier in these financial statements, the functional currency of the Company is £ sterling. The Company also has foreign currency denominated assets and liabilities. Exposures to exchange rate fluctuations therefore arise. The carrying amount of the Company's foreign currency denominated monetary assets and liabilities, all in US \$, are shown below in the Company's functional currency.

	31 March 2014 £	31 March 2013 £
Cash at bank	11,695,933	6,342,777
Borrowings	(27,119,356)	(13,150,632)
	(15,423,423)	(6,807,855)

Notes to the consolidated financial statements for the year ended 31 March 2014

19. Financial instrument risk exposure and management (continued)

The Company's main exposure to foreign currency risk is on the convertible loan and the bond instruments issued during the year in US \$ where interest is payable in dollars (see note 13).

The Company also pays for all invoices denominated in a foreign currency in GBP £. The Company therefore does suffer from a level of transactional foreign currency risk. Due to the minimal level of foreign transactions; the directors currently believe that foreign currency risk is at an acceptable level.

The Company does not enter into any derivative financial instruments to manage its exposure to foreign currency risk.

The following table details the Company's sensitivity to a 10% increase and decrease in the US\$ against Sterling. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The table below shows the effect of a 10% weakening and strengthening of the US\$ against £ Sterling.

	\$ Currency impact strengthening £	\$ Currency impact weakening £
2014		
Assets	1,850,351	(1,850,351)
Liabilities	(5,160,690)	5,160,690
	<u>(3,310,339)</u>	<u>3,310,339</u>
	\$ Currency impact strengthening £	\$ Currency impact weakening £
2013		
Assets	963,423	(963,423)
Liabilities	(2,090,637)	2,090,637
	<u>(1,127,214)</u>	<u>1,127,214</u>

Notes to the consolidated financial statements for the year ended 31 March 2014

20. Contingent asset

Gasol Plc entered into a strategic partnership agreement with AIOG on the 28 March 2014. Gasol Plc advanced US\$2,500,000 to AIOG. The interest is to start accruing on the outstanding principal calculated from the day it is advanced to AIOG. Gasol Plc made the advance on 15th January 2014. The advance, less any introduction fees agreed between the parties, is payable at the end of the Partnership term. If no projects are entered into, the advance shall be repaid together with interests at 15% per annum.

As at 31 March 2014 the above agreement had accrued interest receivable of £49,168 in accordance with the terms of the loan. However this only becomes payable on the condition that a first project occurs therefore this interest amount is classified as a contingent asset due the uncertainty of the income. As a contingent asset it cannot be recognised in the accounts but is to be disclosed in the current year. It will be recognised in the accounts when the realisation is virtually certain, and as such no longer a contingent asset.

21. Capital management

The Group's objective when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio, being net debt (borrowings less cash and cash equivalents) divided by total capital (equity plus net debt). In previous periods the Group funded itself primarily through equity funding on the AIM market.

	31 March 2014	31 March 2013
	£	£
Total borrowings (note 13)	27,119,356	12,047,743
Less: cash and cash equivalents	(11,695,933)	(6,750,255)
Net debt	15,423,423	5,297,488
Total equity	(9,791,875)	(2,233,844)
Total capital	5,631,548	3,063,644
Gearing ratio	274%	173%

Notes to the consolidated financial statements for the year ended 31 March 2014

22. Related party transactions

The following transactions were carried out with related parties:

Services received

	31 March 2014 £	31 March 2013 £
Mr Ethelbert Cooper	190,000	120,000

Mr Ethelbert Cooper, who has a beneficial interest (through an intermediary company) in African Gas Development Corporation Limited ("AfGas") is a special advisor to the Gasol Board of Directors. AfGas is a major shareholder of the Company. He has received £190,000 (2013: £120,000) in respect of his services to Gasol in the year to 31 March 2014.

Services provided

	31 March 2014 £	31 March 2013 £
IMIC plc	98,511	80,218
Afrtrade	68,000	68,000
AIOG	2,431	2,813
	168,942	151,031

Rent and service charges receivable in respect of the sub-lease to IMIC plc, of which Mr Hareesh Kanabar is non-executive chairman, amounted to £98,511 (2013: £80,218). This is netted against the rental expense in administration expenses.

Gasol have an agreement with Afrtrade SA ('Afrtrade' formally African Gas Trading & Services SA), a wholly-owned subsidiary of AfGas to provide office space and general admin and support services. Gasol have a licence agreement with Afrtrade for which £68,000 (2013: £68,000) was paid during the year ended 31 March 2014. Amounts receivable at the year end were offset against amounts due to Mr Ethelbert Cooper.

Gasol recharged IT support to AIOG, amounting to £2,431 (2013: £2,813). AIOG is a related party connected by Mr Ethelbert who is the chairman of AIOG.

Year-end balances arising from services received / provided

	31 March 2014 £	31 March 2013 £
Payables to related parties:		
IMIC (rent deposit)	19,389	19,389
Afrtrade (rent deposit)	5,667	5,667
	25,056	25,056
Receivables from related parties:		
Afrtrade	6,433	6,433
AIOG	586	2,081
	7,019	8,514

Notes to the consolidated financial statements for the year ended 31 March 2014

22. Related party transactions (continued)

Loans to/from related parties

AfGen a company in which Mr Ethelbert Cooper has an indirect beneficial interest, owes the Group £1,715,305 (2013: £434,307). This loan is included in amounts owed from related parties. The sums have been advanced under the terms of the option that Gasol has to acquire AfGen which are to be used for working capital purposes and which bear interest at 10% per annum.

Key management remuneration

Directors' remuneration

The key management personnel of the Group are the Directors of Gasol, the remuneration of which is show below:

	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Short term employee benefits to Executive Directors	444,000	366,083
Short term employee benefits to Non-Executive Directors	157,542	203,333
Post employee benefits	-	-
Total Directors' remuneration	601,542	569,416

There were no pension benefits accruing to Directors under defined benefit schemes in the year (2013: £nil). The aggregate emoluments for Executive Directors include £20,000 (2013: £16,667) of contributions to a personal pension plan.

No Director exercised any share options during the year (2013: £nil).

The highest paid Director received total emoluments in the year in respect of service of £270,000 (2013: £202,083).

Gasol has purchased an insurance policy to protect Directors and Officers of Gasol in the event of any legal action being taken against them relating to the period that they hold office. In the year ended 31 March 2014, the cost of this insurance was £11,327 (2013: £17,777) and was borne entirely by Gasol.

At the year end, amounts due to the Directors relating to bonuses of £nil (2013: £20,000) and the related national insurance contribution totalled £nil (2013: £2,760) were outstanding.

23. Ultimate Controlling party

At 31 March 2014, the Company's immediate undertaking is Afgas by virtue of its 65.7% holding, a Company incorporated and registered in the Seychelles. The ultimate controlling party is the Klone Trust the ultimate parent company of Afgas, a private company

Afgas has entered into a relationship agreement which restricts its ability to appoint and remove directors.

Notes to the consolidated financial statements for the year ended 31 March 2014

24. Subsequent events

On the 6 May 2014, the convertible loan facility provided by BBH was repaid in full at their request.

On the 12 May 2014, it was agreed that in relation to the sale and purchase agreement for Energie Cote d'Ivoire, GDF Suez E&P International S.A. would pay a break fee of \$1.8m.

On the 16 May 2014, Gasol invested into secured loan notes an initial £200,000 to PowerPerfactor Group Limited ("PP") with a further £300,000 subject to PP entering into an invoice discounting facility. The loan notes pay an interest rate of 8% per annum with a term of three years secured on assets of PP.

On the 19 May 2014 Gasol Upstream Limited, a 100% owned subsidiary, has agreed to invest \$1m for 21,936,000 shares in Afrique Energie Corporation ("AEC") representing a 31.7% shareholding. A further unsecured loan of \$1m has been advanced to AEC at an interest rate of 20% per annum in exchange for a further 20,000,000 shares in AEC taking its total equity holding to 47%. The loan will mature on 13 November 2014.

In relation to the investment in AEC, Gasol has agreed to unconditionally guarantee US\$23 million Senior Notes maturing 13 November 2014 which have been issued by AEC. The Senior Notes have an interest rate of 20 per cent per annum.

On the 28 May 2014, AEC purchased 23,600,000 shares in Panoro Energy ASA ("Panoro") constituting 10.06% of the share capital of Panoro.

Following shareholder approval, on the 18 July 2014 trading of Ordinary Shares of the Company on AIM ceased and there was a cancellation of admission of its ordinary shares to trading on AIM on the 21 July 2014.

**Notes to the company financial statements
for the year ended 31 March 2014**

The parent company financial statements of Gasol PLC ("the Company") are presented as required by the Companies Act 2006 and was approved for issue on 11 September 2014. The balance sheet was signed on the board's behalf by Alan Buxton.

Notes to the Company financial statements have only prepared where there is a difference to the consolidated financial statements.

Significant accounting policies of the Group as detailed in note 2 of the Group financial statements have been applied in the preparation of the Company financial statements except as described below.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment

25. Investments in subsidiary undertakings and goodwill

The value of the subsidiaries owned by the Company at 31 March 2014 is as follows:

	Investments £
Cost	
At 1 April 2012 and 31 March 2013	400,000
Additions	3
31 March 2014	<u>400,003</u>
Impairment	
At 1 April 2012, 31 March 2013 and 31 March 2014	<u>400,000</u>
Carrying amount	
At 31 March 2013	<u>-</u>
At 31 March 2014	<u>3</u>

See note 9 of the consolidated financial statements for detail on the goodwill.

**Notes to the company financial statements
for the year ended 31 March 2014**

26. Trade and other receivables

	31 March 2014 £	31 March 2013 £
Non-current assets:		
Other receivables	1,523,150	-
	<u>1,523,150</u>	<u>-</u>
Current assets:		
Trade receivables	19,904	2,081
VAT recoverable	177,163	24,147
Other receivables	1,192,045	-
Prepayments and accrued income	140,133	220,097
Amounts owed by related parties	1,721,738	440,740
	<u>3,250,983</u>	<u>687,065</u>

Due to the uncertainty surrounding the success of ongoing projects the amounts due to the Company from subsidiary undertakings have been fully impaired. An impairment during the year of £nil making a total impairment of £nil (2013: £2,706,034) has been made against outstanding receivables from subsidiaries. The Directors will continue to assess the recoverability of these receivables.

An amount of £1,523,150 (\$2,500,000) was advanced to AIOG as part of a special partnership agreement. This is included in non-current assets as it is not repayable until 15 January 2016. See note 20 for more details on this advance.

Included in amounts owed by related parties is a loan advanced to AfGen amounting to £1,715,304 (2013: £434,307). This debt is guaranteed by AGDC, a major shareholder of Gasol. See note 22 for further details.

Included in current other receivables is the break fee of the proposed acquisition of the Energie de Cote d'Ivoire from GDF Suez amounting to £1.1 million (2013: £nil)

The Directors consider that the carrying amount of the remaining trade and other receivables approximates to their fair value.

**Notes to the company financial statements
for the year ended 31 March 2014**

27. Trade and other payables

	31 March 2014 £	31 March 2013 £
Other taxes and social security	35,782	124,388
Accruals	461,811	180,077
Trade payables	1,672,629	340,586
Other payables	8,976	10,177
	<u>2,179,198</u>	<u>655,228</u>

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 165 days (2013: 46 days).

Trade and other payables are significantly higher in 2014 due to costs incurred in relation to the aborted transaction fees.

There is a balance in relation to an unpaid Directors bonus at the year end of £nil (2013: £20,000)

The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. No interest has been charged by any suppliers as a result of late payment of invoices during the period.

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

28. Cash and cash equivalents

	31 March 2014 £	31 March 2013 £
Cash at hand and in bank	<u>11,696,134</u>	<u>6,750,047</u>

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less.

The majority of the cash balances are held at banks with a Standard and Poor's credit rating of at least AA- and registered in the United Kingdom.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

The amount of cash and cash equivalents denominated in currencies other than sterling is shown in note 32 to these financial statements.

Notes to the company financial statements for the year ended 31 March 2014

29. Financial instrument risk exposure and management

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Amounts owed by subsidiaries
- Cash at bank
- Trade and other payables
- Borrowings
- Embedded derivative financial instruments

Financial instruments by class and by category

	Loans and Receivables	
	31 March 2014	31 March 2013
	£	£
Non-current financial assets		
Other receivables	1,523,150	-
Current financial assets		
Trade and other receivables	2,933,687	442,821
Cash and cash equivalents	11,696,134	6,750,047
Total current financial assets	16,152,971	7,192,868

Trade and other receivables are stated inclusive of amounts owed by subsidiaries and other related parties of £4,429,149 (2013: £3,132,538). A provision for non-recoverability of £2,707,411 (2013: £2,706,034) has been made against this amount and is included in trade and other receivables.

Notes to the company financial statements for the year ended 31 March 2014

29. Financial instrument risk exposure and management (continued)

	Financial liabilities measured at amortised cost	
	31 March 2014	31 March 2013
	£	£
Current financial liabilities		
Accruals	461,811	180,077
Trade and other payables	1,672,629	350,763
Borrowings	1,026,360	709,376
	<u>3,160,800</u>	<u>1,240,216</u>
Non-current financial liabilities		
Borrowings	<u>26,092,996</u>	<u>11,208,702</u>
Total financial liabilities	29,253,796	12,448,918
	Financial liabilities measured at fair value through profit and loss	
	31 March 2014	31 March 2013
	£	£
Current financial liabilities		
Embedded derivatives	<u>54,609</u>	<u>57,949</u>
Non-current financial liabilities		
Embedded derivatives	<u>-</u>	<u>71,714</u>

General objectives, policies and processes

The Company's risk management objectives and policies are aligned with those of the Group and are outlined in note 19 to the consolidated financial statements.

Further details regarding the Company's exposure to risks from the use of financial instruments are set out below:

Credit risk

Credit risk arises principally from the Company's cash balances and amounts owed from subsidiaries. Credit risk is the risk that the counterparty fails to repay its obligation in respect of the amounts owed.

Cash and cash equivalents

The exposure to credit risk arising from cash and cash equivalents is discussed in note 19.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

**Notes to the company financial statements
for the year ended 31 March 2014**

29. Financial instrument risk exposure and management (continued)

Trade and other receivables

At the year end, the credit risk relates to two outstanding receivable balances. There is an amount owed to the Company from African Power Generation Limited ('Afgem') which are amounts extended as working capital which are repayable with additional 10% interest. This amounts to £1,715,305 (2013: £434,307) and is considered recoverable through a discount on the price option to purchase shares. This debt is guaranteed by AGDC, a major shareholder of Gasol. There is also an amount of £1,523,150 (\$2,500,000) which was advanced to AIOG, as part of a special strategic alliance. This amount is recoverable on the 15th January 2016 contingent on whether a project identified is entered into.

As the overall exposure to trade and other receivables is not currently extensive, no formal procedure is in place for monitoring and collecting amounts owed to Gasol. A risk management framework will be developed over time, as appropriate to the size and complexity of the business.

Following total provisions for impairment of £2,707,411 (2013: £2,706,034) being made against receivables from subsidiaries, there is no significant difference between the carrying value and fair value of trade receivables.

An allowance for impairment is made where there is an identified loss amount, which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. Management considers the above measures to be sufficient to control credit risk exposure.

Amounts owed by subsidiaries

Gasol lends money to subsidiaries to fund their working capital requirements. These amounts are repayable on demand at the request of Gasol, although due to the long term nature of the projects being funded, it is intended that repayment will not be requested until the subsidiaries generate sufficient revenues.

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy in relation to liquidity risk is aligned with that of the Group and is outlined in note 19 to the consolidated financial statements.

There is no significant difference between the carrying value and fair value of the current and non-current financial liabilities recorded in the Company's balance sheet.

Notes to the company financial statements for the year ended 31 March 2014

29. Financial instrument risk exposure and management (continued)

Maturity of financial liabilities

At 31 March 2014	Payable within 30 days £	Payable between 30 days and one year £	Payable after one year £
Accruals	461,811	-	-
Trade and other payables	1,672,629	-	-
Embedded derivatives	-	54,609	-
Borrowings	-	1,026,360	26,092,996
Total financial liabilities	2,134,440	1,080,969	26,092,996

At 31 March 2013	Payable within 30 days £	Payable between 30 days and one year £	Payable after one year £
Accruals	180,077	-	-
Trade and other payables	350,763	-	-
Embedded derivatives	-	57,949	71,714
Borrowings	-	709,376	11,208,702
Total financial liabilities	530,840	767,325	11,280,416

Market risk

The Groups activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group has interest bearing assets and liabilities being cash and cash equivalents, other receivables and borrowings respectively however no interest is currently received in the cash and cash equivalents and all borrowings are subject to fixed interest rates. The Group therefore does not suffer from any interest rate risk and sensitivity analysis is no considered necessary.

Foreign currency risk

The Company's foreign currency risks and assets and liabilities held in foreign currencies are identical to those that the Group faces and are outlined in note 19 to the consolidated financial statements.

Gasol Plc

**Annual report and financial statements
for the year ended 31 March 2015**

Registered number: 05350159

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COMPANIES HOUSE

Gasol Plc

Officers and Professional Advisors

Country of incorporation and domicile

United Kingdom

Legal form

Public Limited Company

Directors

Ethelbert JL Cooper

Angus Robertson

**Company secretary
& registered office**

Miles Thomas

22 Great James Street

London, WC1N 3ES

Company number

05350159

Auditor

BDO LLP

55 Baker Street

London, W1U 7EU

Directors' Report for the year ended 31 March 2015

The Directors' present their annual report on the affairs of the Company, together with the financial statements and auditor's report for the year ended 31 March 2015.

Going concern

The Directors have prepared these financial statements on a going concern basis. However, the Directors consider there to be a material uncertainty in respect of going concern as disclosed in Note 1.

Results and dividends

The results of the Company for the year ended 31 March 2015 are set out on page 11 and in the Strategic Report.

The Directors do not recommend payment of a dividend for the year (2014: £nil).

Directors

The names of individuals who served as Directors of the Company from 1 April 2014 are as follows:

Name of Director

Ethelbert JL Cooper	(appointed 1 February 2016)
Angus Robertson	(appointed 1 February 2016)
Haresh Kanabar	(resigned 19 January 2016)
Ewen Wigley	(resigned 19 January 2016)
Alan Buxton	(resigned 1 February 2016)
Patrick Garo	(appointed 1 July 2014 and resigned 1 February 2016)
Paul Biggs	(resigned 19 August 2014)
Fassine Fofana	(resigned 19 August 2014)
Rilwanu Lukman	(deceased 21 July 2014)

Financial risk management objectives and policies

Information on the Company's financial risk management objectives and policies and its exposure to financial risks is discussed in note 26 to the consolidated financial statements.

Strategic report

The Company has chosen, in accordance with Section 414C of the Companies Act 2006, to set out the following information which would otherwise be required to be contained in the Directors' report within the Strategic report:

- Subsequent events; and
- Likely future developments in the business of the Company.

Disclosure of information to auditors

So far as each Director at the date of approval of this report is aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all steps that he or she ought to have taken to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

**Directors' Report
for the year ended 31 March 2015**

Auditor

BDO LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Recommendation

The Board considers that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and it is their unanimous recommendation that shareholders support them.

On behalf of the Board of Directors:

A handwritten signature in black ink, appearing to be 'Ethelbert JL Cooper', with a long horizontal stroke extending to the right.

Ethelbert JL Cooper
Director

04 September 2017

Strategic Report for the year ended 31 March 2015

The Directors present their Strategic Report for the year ended 31 March 2015.

Principal activities of the business

The principal activity of the Group is the supply of natural gas and LNG to power projects and other industrial users in West Africa and other gas constrained regions.

Business review and likely future developments

The main strategy of Gasol plc ("the Company") and its subsidiaries (together "the Group") is to supply gas to gas constrained markets, where liquid fuels are currently being used for power generation. Many important milestones have been achieved during the financial year and also after the year end.

The main elements of this strategy are:

- to deliver regasified LNG to West Africa;
- to use the LNG regasification terminal as a stepping stone to the development of complementary Gas to Power infrastructure; and
- to use Gasol's technical, commercial and financial experience and expertise in the regasified LNG import business, to develop other stand-alone LNG projects in gas constrained regions.

The Group incurred a loss for the year of £41,347,963 (2014: £10,632,295) which included a £14,150,585 (2014: £3,000,000) impairment charge associated with goodwill, loans and options. The loss for the year also included finance costs of £18,129,539 (2014: £2,531,078) due to the increase in the Group's borrowings, foreign exchange and charges associated with rescheduling of its bonds. The loss further included a £6,685,164 (2014: £Nil) loss on disposal of investments held by Afrique Energie Corporation ("AEC"), a newly acquired subsidiary in which the Group acquired a 52.1% interest.

At 31 March 2015, the Group's total assets were £13,521,300 (2014: £16,504,718), principally comprising loans and receivables due from related parties after additional advances made in the year and impairments as detailed below and in notes 3, 17 and 28. The Group's liabilities totalled £66,917,721 (2014: £29,296,590) with the increase primarily relating to a new bond instrument issued by a wholly owned subsidiary and Senior Notes issued by AEC and guaranteed by Gasol Plc, as detailed in note 19.

Key events

In West Africa, Gasol has formed a consortium of strategic partners for its project of delivering LNG to the port of Cotonou for regasification and delivery in Benin and neighbouring countries. The project is a high priority project for the Government of Benin, as the gas is required for delivery to power plants which have recently been awarded as part of a tender process.

The regasification project is planned to form a key part of the development of gas to power infrastructure in Benin and will involve the expansion of the port, a new gas storage and regasification facility and two new gas pipelines to connect the regasification terminal to Benin and to the West African Gas Pipeline.

The delivery of gas is expected to promote the development of new power generation facilities in Benin, and, it is envisaged, the reinforcement and upgrading of power grid and distribution networks for the export of the power to Nigeria and neighbouring countries.

The project in Malta, in which Gasol participated in and led an international consortium, acquiring 30% equity accounted interest in the year, is to deliver and regasify LNG in order to supply gas to both an existing power plant and to a newly constructed power plant built by the same consortium. This project entered into the construction phase

Strategic Report *continued* **for the year ended 31 March 2015**

This project entered into the construction phase through a temporary bridge loan supplied by Bank of Valetta at the end of the month of December 2014 with construction anticipated to complete in 2017. During the year, the Group received a project development fee of €2,000,000 (£1,580,320) under the terms of the project agreement. Subsequent to year end, the Group has exited the project as detailed in note 30.

On the 16 May 2014, Gasol invested an initial £200,000 into secured loan notes issued by to PowerPerfector Group Limited ("PP") with a further £300,000 subject to PP entering into an invoice discounting facility which was completed on the 22 July 2014. The loan notes paid an interest rate of 8% per annum with a term of three years and were secured on assets of PP. In July 2015 PP entered into pre-pack administration. Under this arrangement Intrinsic Equity provided new funding to buy the business and assets of PP; the new company being Intelligent Energy Saving Company Holdings Ltd. The Group received £295,276 of new loan notes issued by the new company as part of the pre-pack administration. The Group's receivable balance was therefore impaired by £218,889. Refer to note 17 for more details.

On the 19 May 2014 Gasol Upstream Limited, a 100% owned subsidiary agreed to invest \$1m and lend \$1 million to AEC, as a consequence of which it received 41,936,000 shares in AEC, representing a 52.1% shareholding. As a result, AEC is consolidated as a subsidiary with a 47.9% non-controlling interest. The equity interest was acquired because of AEC's plans to undertake a proposed transaction to acquire control of significant gas field in Nigeria.

In relation to the investment in AEC, Gasol Plc agreed to unconditionally guarantee US\$23 million Senior Notes maturing 13 November 2014 which were issued by AEC. The Senior Notes had an interest rate of 20 per cent per annum. The term of the bond was extended by three months to February 2015 and was subsequently further extended to February 2017 and then December 2019 (see note 30). The Gasol Guarantee remains in place. Refer to note 19 and 30 for details.

On the 28 May 2014, AEC purchased 23,600,000 shares in Panoro Energy ASA ("Panoro") for \$15,445,285 (£14,490,726), constituting 10.06% of the share capital of Panoro. However, early engagement with the Panoro management was not fruitful, and subsequently there was a fall in the price of oil during late 2014 into 2015. This subsequently impacted on the Panoro share price. In Q1 2015, AEC liquidated its position in Panoro shares having failed to transact a deal with Panoro which was intended to provide the Group with control of a gas field in Nigeria. A loss of £6,685,164 arose on the disposal of the investment. In addition, AEC acquired an option over 49% of the shares of Afgen for \$5,000,000, as part of the plans to acquire a controlling interest in a gas field. The option subsequently lapsed without being exercised and was impaired.

At year end due to the significant decline of international iron ore prices, the Board considered it appropriate to impair the advance to African Iron Ore Group ("AIOG") made as part of a strategic partnership agreement to develop iron ore opportunities. The loan was originally repayable on the 27 March 2016 and was impaired to a carrying value of £Nil (2014: £1,523,150 equivalent to \$2,500,000). However if the market, by nature cyclical, was to recover, the Board considers that its strategic alliance with AIOG could potentially generate future benefits.

The Group has provided further loan advances to AfGen in the year, with the receivable amounting to £4,884,766 (2014: £1,715,304). This debt is guaranteed by African Gas Development Corporation ("AGDC"), a major shareholder of Gasol and Afgen's parent company. During the year, three facilities were advanced to AGDC consisting of \$2,500,000 receivable on 27 October 2015, \$4,000,000 receivable on 1 December 2015 and \$2,100,000 receivable on 15 January 2016. These are all repayable with interest at 17%. The Group anticipates extending the maturity date for these loans, which are now overdue, to align with the progress of its West African LNG project to which Afgen and AGDC are key participants.

Strategic Report *continued* for the year ended 31 March 2015

During the year two facilities were advanced to AED consisting of \$6,000,000 receivable on 20 October 2015 and \$7,500,000 receivable on 3 December 2015, both repayable with an interest rate of 17%. These loans are now past due. Following an impairment review, the Directors considered it appropriate to impair the outstanding balance at year end of £8,519,613 (2014: £nil).

In Q4 2014, Gasol LNG Import Limited, a 100% owned subsidiary, issued a \$30 million unsecured bond which had a three-year term and an interest rate of 8.75% payable semi-annually.

In July, 2014, and following approval at a General Meeting of shareholders, Gasol cancelled the admission of its ordinary shares to trading on AIM (the "Cancellation"). Among the reasons that the Directors recommended the cancellation was the lack of liquidity in trading of the company's shares, the inability for Gasol to raise money on AIM and the challenges that the AIM rules would present for a small company like Gasol developing a large project. Following the cancellation, Gasol shares are no longer traded on any market.

The Group currently has 4 bonds in issue, two by Gasol Plc, one by Gasol LNG Import Limited and the fourth by AEC. Subsequent to the balance sheet date all of these bonds became in default as a result of non-payment of interest and/or principal. In May 2017 the Company reached a commercial agreement with representatives of the bondholders to reschedule the terms of these bonds, which included:

- Extending the maturity dates of the bonds to the end of 2019;
- Capitalising unpaid interest into the bond principal
- Future interest payment dates to be annual; and
- to the Company and its subsidiaries have the option to capitalise future interest amounts to the bond principal.

The formal documentation of these changes are now in place and all of the bonds have ceased to be in default.

Key performance indicators

Key performance indicators include:

- Meeting articulated milestones on existing project opportunities.
- Delivery of binding strategic alliances and project development agreements.

There are no financial key performance indicators currently monitored by the Board given the stage of the Group's projects, except for cash flow and liquidity which is monitored by the Board on a continuous basis. Refer to note 1 of the financial statements for details of the material uncertainty in respect of going concern.

Gasol continues to develop its strategy to supply of natural gas and LNG to power projects and other industrial users in Africa.

Principal risks and uncertainties

The activities of the Company are subject to a number of risks; if any of these risks were to materialise, the Company's business, financial condition and results of future operations could be materially adversely affected. The principal risks are as follows:

- **Securing viable projects:** The Company does not presently carry on any trading activities directly or through any subsidiaries. The Company is dependent upon acquiring and developing LNG import and power projects that meet the Board's investment strategy. The Company cannot guarantee that it will be able to identify or develop appropriate projects meeting the objectives for which it has been established. The Company may

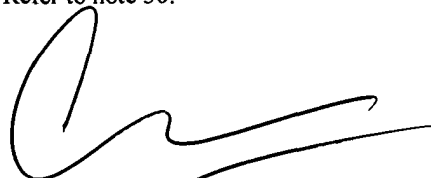
Strategic Report *continued*
for the year ended 31 March 2015

spend some of its available funds on investigating potential projects that are subsequently rejected as being unsuitable.

- **Cost of project:** the cost of projects varies widely according to demand and geographic location. Project costs such as pipelines, LNG plants, regasification facilities, ships and power generation equipment, may be difficult to predict, all of which if increased will have a negative impact on the economics of a project.
- **Funding:** Refer to note 1 of the financial statements for details of the material uncertainty in respect of going concern.
- **Political, regulatory and economic instability in the future:** the Company will be exposed to various levels of political risk and regulatory uncertainties including government regulations, policies or directives relating to exploration, foreign investors, restrictions on production, price controls, export controls, income and other taxes, nationalisation or expropriation of property, partner carry, repatriation of income, royalties and environmental legislation.
- **Volatility of market price of LNG:** The market price of LNG is volatile at times and is affected by numerous factors that are beyond the Company's control. These include geological and seismic factors, global and regional economic and political events, international economic trends, as well as a range of other market forces. Sustained upward movements in LNG prices could render less economic, or uneconomic, any of the development projects to be undertaken by the Company.
- **Payment :** Although the gas supply contracts entered into by Gasol's project company contain take or pay provisions and payment security will be provided in the form of Letters of Credit, a failure by the offtaker to honour these provisions will lead to termination of the gas supply contract and possible litigation regarding compensation.
- **Other risks:** Other risks arise from the inability to insure certain political and commercial risks, and the inability to obtain appropriate legal redress in some overseas jurisdictions.
- **Recovery of receivables:** The Group has significant receivables due from related parties which are past due as at the date these financial statements are approved. The Board anticipates that the unimpaired receivables will be recovered through the West African Gas Project and reviews the receivables for impairment. However, the recovery of these balances is dependent upon the financial position of the counterparties and the success of the project or those companies securing alternative funds.

Subsequent events

Refer to note 30.



Ethelbert JL Cooper

Director

04 September 2017

Statement of Directors' Responsibilities

The directors are responsible for preparing the directors' report, strategic 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 group and company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 group and company and of the profit or loss of the group 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;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; 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.

Independent Auditor's Report to the Members of Gasol PLC for the year ended 31 March 2015

We were engaged to audit the financial statements of Gasol Plc (the Company), which comprise the consolidated statement of financial position as at 31 March 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company statement of financial position, the company statement of changes in equity and the company statement of cash flows for the year then ended, and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006.

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 auditor

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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors. Because of the matter described in the Basis for disclaimer of opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Scope of the audit of the financial statements

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

Basis for disclaimer of opinion on the financial statements

The group's loans to related parties are carried at £9.7m in the consolidated statement of financial position, which represents over 72% of the group's total assets as at 31 March 2015. The company's loans to related parties are carried at £6.3m in the company statement of financial position, which represents over 85% of the company's total assets as at 31 March 2015. We have not been able to obtain sufficient financial information in respect of the loan counterparties, which are related parties, necessary to support the directors' assertion that the carrying amounts of the related party loans are recoverable. As a result of these matters, we were unable to determine whether any adjustments might have been necessary in the consolidated statement of financial position and company statement of financial position in respect of impairment of these loans, and the consequent impact on elements making up the consolidated statement of comprehensive income, consolidated statement of changes in equity, company statement of changes in equity, and consolidated statement of cash flows and company statement of cash flows.

Disclaimer of opinion on the financial statements

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described in the Basis for Disclaimer of opinion on financial statements paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

**Independent Auditor's Report to the Members of Gasol PLC
for the year ended 31 March 2015**

Emphasis of matter – going concern

We have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the company and group's ability to continue as a going concern. The group's cash flow forecasts indicate that the going concern assumption is dependent upon the continued financial support of the group's principal shareholder and suppliers with overdue liabilities extending credit terms. While the directors consider that they will be able to secure funding from the principal shareholder and secure extended credit terms from suppliers until they are repaid, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's and group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company and group were unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

Notwithstanding our disclaimer of opinion on the financial statements, in our opinion the information given on the strategic report and 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

In respect solely to the matters referred to in the Basis for Disclaimer of Opinion paragraph above, we have not received all the information and explanations we require for our audit.

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 company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.



*Ryan Ferguson (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

Date: 04 September 2017

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

**Consolidated Statement of Comprehensive Income
for the year ended 31 March 2015**

	Note	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Revenue	4	1,106,224	-
Other operating income	5	68,000	68,000
Administrative expenses		(4,694,145)	(4,022,633)
Exceptional items	6	-	(1,247,220)
Loss on disposal of investment	11	(6,685,164)	-
Impairment of assets	8	(14,150,585)	(3,000,000)
Loss from operations	6	(24,355,670)	(8,201,853)
Finance income	9	1,139,688	100,636
Finance costs	10	(18,129,539)	(2,531,078)
Share of results of joint venture	15	(2,442)	-
Loss before tax		(41,347,963)	(10,632,295)
Income tax expense	12	-	-
Loss for the year		(41,347,963)	(10,632,295)
Attributable to:			
Owners of the Company		(33,797,302)	10,632,295
Non-controlling interests		(7,550,661)	-
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		422,276	-
Total comprehensive loss for the year		(40,925,687)	(10,632,295)
Total comprehensive loss attributable to:			
Owners of the Company		(33,577,296)	(10,632,295)
Non-controlling interests	25	(7,348,391)	-

All results relate to continuing activities.

The notes on pages 21 to 63 form part of these financial statements.

Gasol Plc

**Consolidated Statement of Changes in Equity
for the year ended 31 March 2015**

	Share capital	Share premium	Reverse acquisition reserve	Convertible loan reserve	Capital redemption reserve	Capital contribution reserve	Translation reserve	Warrant and option reserve	Accumulated losses	Total attributable to equity holders of the parent	Non- controlling interest	Total equity
	£	£	£	£	£	£	£	£	£	£	£	£
At 1 April 2014	167,558	73,135,810	(63,104,556)	31,690	7,936,494	83,787	12,267	2,010,623	(33,065,545)	(12,791,872)	-	(12,791,872)
Loss for the year	-	-	-	-	-	-	-	-	(33,797,302)	(33,797,302)	(7,550,661)	(41,347,963)
Foreign currency translation	-	-	-	-	-	-	220,006	-	-	220,006	202,270	422,276
Total comprehensive loss for the year	-	-	-	-	-	-	220,006	-	(33,797,302)	(33,577,296)	(7,348,391)	(40,925,687)
Acquisition of subsidiary (note 14)	-	-	-	-	-	-	-	-	-	-	314,193	314,193
Convertible loan stock repaid	-	-	-	(31,690)	-	-	-	-	31,690	-	-	-
Expiry of warrants	-	-	-	-	-	-	-	(33,602)	33,602	-	-	-
Share-based payments expense	-	-	-	-	-	-	-	6,945	-	6,945	-	6,945
At 31 March 2015	167,558	73,135,810	(63,104,556)	-	7,936,494	83,787	232,273	1,983,966	(66,797,555)	(46,362,223)	(7,034,198)	(53,396,421)

Gasol Plc

**Consolidated Statement of Changes in Equity
for the year ended 31 March 2015**

	Share capital	Share premium	Reverse acquisition reserve	Convertible loan reserve	Capital redemption reserve	Capital contribution reserve	Translation reserve	Warrant and option reserve	Accumulated losses	Total equity
	£	£	£	£	£	£	£	£	£	£
At 1 April 2013	167,558	73,135,810	(63,104,556)	-	7,936,494	83,787	12,267	2,026,990	(22,492,194)	(2,233,844)
Loss for the year	-	-	-	-	-	-	-	-	(10,632,295)	(10,632,295)
Total comprehensive loss for the year	-	-	-	-	-	-	-	-	(10,632,295)	(10,632,295)
Issue of convertible loan	-	-	-	31,690	-	-	-	-	-	31,690
Expiration of convertible loan	-	-	-	-	-	-	-	(58,944)	58,944	-
Warrants issued on lines of funding	-	-	-	-	-	-	-	22,392	-	22,392
Share based payments expense	-	-	-	-	-	-	-	20,185	-	20,185
At 31 March 2014	167,558	73,135,810	(63,104,556)	31,690	7,936,494	83,787	12,267	2,010,623	(33,065,545)	(12,791,872)

**Consolidated Statement of Changes in Equity
for the year ended 31 March 2015**

Share capital account

Share capital records the nominal value of shares in issue.

Share premium account

Share premium records the receipts from issue of share capital above the nominal value of the shares. Share premium is stated net of direct issue costs.

Capital contribution reserve

Contributions provided to entities by shareholders that are not intended by either party to be repaid are accounted for as capital contributions.

Capital redemption reserve

Capital redemption reserve is a reserve created when a company buys its own shares which reduces its share capital. This reserve is not distributable to shareholders and can be used to pay bonus shares issued.

Translation reserve

Translation gains and losses arising on the retranslation of net assets of subsidiaries whose functional currency is not sterling are recognised directly in equity in the translation reserve.

Reverse acquisition reserve

A reverse acquisition reserve is established to take account of acquisitions that are deemed to be reverse acquisitions under International Financial Reporting Standards.

Accumulated losses

The accumulated loss reserve records the cumulative profits less losses recognised in the Statement of Comprehensive Income, net of any distributions and reserve transfers associated with share-based payments, warrants and convertible loans.

Warrant and option reserve

The warrant reserve records the fair value charge of warrants and share options issued by the Group, less transfers to accumulated loss on conversion or expiry.

Convertible loan reserve

The convertible loan reserve records the equity component of the convertible loan instrument, less transfers to accumulated loss on conversion or expiry.

The notes on pages 21 to 63 form part of these financial statements.

Gasol Plc

**Company Statement of Changes in Equity
for the year ended 31 March 2015**

	Share capital £	Share premium £	Convertible loan reserve £	Warrant and option reserve £	Capital redemption reserve £	Accumulated losses £	Total equity £
At 1 April 2014	167,558	73,135,810	31,690	2,010,623	7,936,494	(96,104,259)	(12,822,084)
Loss for the year	-	-	-	-	-	(31,049,627)	(31,049,627)
Total comprehensive loss for the year	-	-	-	-	-	(31,049,627)	(31,049,627)
Convertible loan stock repaid	-	-	(31,690)	-	-	31,690	-
Expiry of warrants	-	-	-	(33,602)	-	33,602	-
Share-based payments expense	-	-	-	6,945	-	-	6,945
At 31 March 2015	167,558	73,135,810	-	1,983,966	7,936,494	(127,088,594)	(43,864,766)

Gasol Plc

**Company Statement of Changes in Equity
for the year ended 31 March 2014**

	Share capital £	Share premium £	Convertible loan reserve £	Warrant and option reserve £	Capital redemption reserve £	Accumulated losses £	Total equity £
At 1 April 2013	167,558	73,135,810	-	2,026,990	7,936,494	(85,531,314)	(2,264,462)
Loss for the year	-	-	-	-	-	(10,631,889)	(10,631,889)
Total comprehensive loss for the year	-	-	-	-	-	(10,631,889)	(10,631,889)
Issue of convertible loan	-	-	31,690	-	-	-	31,690
Convertible loan stock repaid	-	-	-	(58,944)	-	58,944	-
Warrants issued on lines of funding	-	-	-	22,392	-	-	22,392
Share-based payment expense	-	-	-	20,185	-	-	20,185
At 31 March 2014	167,558	73,135,810	31,690	2,010,623	7,936,494	(96,104,259)	(12,822,084)

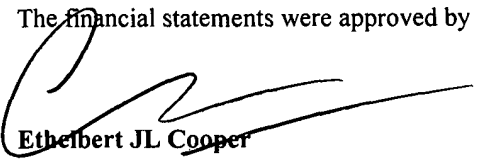
**Consolidated Statement of Financial Position
as at 31 March 2015**

Registered Number: 05350159

	Note	31 March 2015 £	31 March 2014 £
Assets			
Non-current assets			
Goodwill	13	-	-
Investment in joint venture	15	-	-
Property, plant and equipment	16	6,208	3,200
Other receivables	17	426,052	1,523,150
Total non-current assets		432,260	1,526,350
Current assets			
Trade and other receivables	17	13,014,683	3,282,435
Cash and cash equivalents	24	74,359	11,695,933
Total current assets		13,089,042	14,978,368
Total assets		13,521,302	16,504,718
Liabilities			
Current liabilities			
Trade and other payables	18	1,823,932	2,177,234
Borrowings	19	14,750,688	1,026,360
Total current liabilities		16,574,622	3,203,594
Net current (liabilities) / assets		(3,485,580)	11,774,774
Non-current liabilities			
Borrowings	19	50,343,101	26,092,996
Net liabilities		(53,396,421)	(12,791,872)
Equity			
Share capital	21	167,558	167,558
Share premium	21	73,135,810	73,135,810
Reverse acquisition reserve		(63,104,556)	(63,104,556)
Capital contribution reserve		83,787	83,787
Convertible loan reserve		-	31,690
Capital redemption reserve		7,936,494	7,936,494
Translation reserve		232,273	12,267
Warrant and option reserve		1,983,966	2,010,623
Accumulated losses		(66,797,555)	(33,065,545)
Total equity attributable to equity holders of the parent		(46,362,223)	(12,791,872)
Non-controlling interest	25	(7,034,198)	-
Total equity		(53,396,421)	(12,791,872)

The notes on pages 21 to 63 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 4 September 2017


Ethelbert JL Cooper
Director

**Company Statement of Financial Position
as at 31 March 2015**

Registered Number: 05350159

	Note	31 March 2015 £	31 March 2014 £
Assets			
Non-current assets			
Investments	31	3	3
Property, plant and equipment	16	6,208	3,200
Other receivables	32	426,052	1,523,150
Total non-current assets		432,263	1,526,353
Current assets			
Trade and other receivables	32	6,887,248	3,250,983
Cash and cash equivalents	35	66,522	11,696,134
Total current assets		6,953,770	14,947,117
Total assets		7,386,033	16,473,470
Liabilities			
Current liabilities			
Trade and other payables	33	3,338,995	2,179,198
Borrowings	34	14,153,240	1,026,360
Total current liabilities		17,492,235	3,205,558
Net current (liabilities)/assets		(10,538,465)	11,741,559
Non-current liabilities			
Borrowings	34	18,098,488	26,092,996
Provision	36	15,660,076	-
Total non-current liabilities		33,758,564	26,092,996
Net liabilities		(43,864,766)	(12,822,084)
Equity			
Share capital	21	167,558	167,558
Share premium	21	73,135,810	73,135,810
Convertible loan reserve		-	31,690
Warrant and option reserve		1,983,966	2,010,623
Capital redemption reserve		7,936,494	7,936,494
Accumulated losses		(127,088,594)	(96,104,259)
Total equity attributable to equity holders of the parent		(43,864,766)	(12,822,084)

The notes on pages 21 to 63 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 04 September 2017

Ethelbert J. Cooper

Consolidated Statement of Cash Flows for the year ended 31 March 2015

Director

		Year ended 31 March 2015 £	Year ended 31 March 2014 £
	Note		
Loss before taxation		(41,347,963)	(10,632,295)
Adjustments for:			
Finance income	9	(1,139,688)	(100,636)
Finance costs	10	18,129,539	2,531,078
Depreciation charges	16	5,536	2,044
Impairment of assets	8	14,150,585	3,000,000
Share-based payment charge	22	6,945	86,508
Loss on disposal of investment	11	6,685,164	-
Share of results in associates	15	2,442	-
Translation foreign exchange		422,276	-
Operating cash flows before movements in working capital		(3,805,164)	(5,113,301)
Increase in receivables		(20,779,412)	(4,087,071)
Increase in payables		(353,302)	951,595
Net cash used in operating activities		(24,217,878)	(8,248,777)
Cash flows from investing activities			
Investment in subsidiary	14	(566,236)	-
Investment in joint venture	15	(2,442)	-
Investment in Panoro Energy	11	(14,490,726)	-
Disposal of Panoro Energy	11	7,805,562	-
Interest received		13,799	6,144
Purchase of tangible fixed assets		(8,544)	(3,847)
Net cash (used in) / received from investing activities		(7,248,587)	2,297
Cash flows from financing activities			
Interest paid		(394,509)	(1,484,734)
Repayment of loan	19	(5,475,464)	(364,438)
Proceeds from issue of bond instruments	19	32,227,841	18,528,600
Commission costs on issue of bond instruments	19	(6,512,977)	(3,487,270)
Net cash generated from financing activities		19,844,891	13,192,158
Net (decrease) / increase in cash and cash equivalents		(11,621,574)	4,945,678
Cash and cash equivalents at beginning of year		11,695,933	6,750,255
Cash and cash equivalents at end of year	24	74,359	11,695,933

The notes on pages 21 to 63 form part of these financial statements.

Company Statement of Cash Flows
as at 31 March 2015

		Year ended 31 March 2015 £	Year ended 31 March 2014 £
	Note		
Loss before taxation		(31,049,627)	(10,631,889)
Adjustments for:			
Finance income		(491,551)	(100,636)
Finance costs		8,572,265	2,531,078
Depreciation of property, plant and equipment		5,536	2,044
Impairment of assets	32	4,221,613	3,000,000
Share-based payment charge	22	6,945	86,508
Increase in provision	36	15,660,076	-
Operating cash flows before movements in working capital		(3,074,743)	(5,112,895)
Increase in receivables		(6,281,690)	(4,087,068)
Increase in payables		997,130	951,186
Net cash used in operating activities		(8,359,303)	(8,248,777)
Cash flows from investing activities			
Interest received		12,461	6,144
Purchase of tangible fixed assets		(8,544)	(3,847)
Net cash generated from investing activities		3,917	2,297
Cash flows from financing activities			
Interest paid		-	(1,484,734)
Repayment of loan		(3,274,226)	(364,438)
Proceeds from issue of bond instruments		-	18,528,600
Commission costs on bond instruments		-	(3,487,270)
Net cash (used in) / generated from financing activities		(3,274,226)	13,192,158
Net (decrease) / increase in cash and cash equivalents		(11,629,612)	4,946,087
Cash and cash equivalents at start of year		11,696,134	6,750,047
Cash and cash equivalents at end of year	35	66,522	11,696,134

The notes on pages 59 to 63 form part of these financial statements.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS") issued by the International Accounting Standards Board ("IASB") as adopted by the European Union ("adopted IFRSs").

The consolidated financial statements have been prepared on the historical cost basis, except for certain immaterial financial instruments that are measured at revalued amounts or fair values at the end of each reporting period.

The principal accounting policies are set out in note 2.

The preparation of consolidated financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the Group's management to exercise judgement in the most appropriate application in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

Going concern

The Directors have prepared cash flow forecasts for a period of at least twelve months from the date of approval of these financial statements. The Group has no current revenues and has liabilities to suppliers of approximately £1.8m which include amounts that are significantly past due. The Group defaulted on its bonds subsequent to the year end, as detailed in note 30 but in May 2017 the Group successfully restructured each of the bonds, such that the maturity dates have been extended to December 2019 and the Group has the option to settle interest in cash or capitalise the interest up for payment at maturity.

The Group is dependent on its main shareholder AGDC, a company controlled by Mr. E Cooper, to meet its operational cash flow requirements and to settle the amounts due to suppliers, as well as being dependent on the continued cooperation of those suppliers in managing the payment profile of the amounts due. The Directors have obtained written confirmation that AGDC will continue to provide funding to meet the Group's operational cash flow requirements and that it will provide funding to meet these liabilities, although AGDC reserves the right to terminate such financial support.

The Directors are confident that AGDC will continue to provide the funds necessary to meet operational expenditures, that AGDC will provide funding to settle the liabilities to suppliers and service providers in the coming months and that the Company can continue to manage relationships with its suppliers whilst the outstanding balances are settled. Accordingly, the Directors have a reasonable expectation that the Group will have adequate resources to continue trading for the foreseeable future and have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis. However, there can be no certainty that suppliers will continue to extend credit terms to the Group or that adequate financial support from AGDC will be available on a timely basis. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern.

Adoption of Standards Effective In 2015

No material changes to accounting policies arose as a result of new standards applied by the Group from 1 April 2014, including IFRS 10 Consolidated Financial Statements and IFRS 12 Disclosure of interests in other entities.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

1. Basis of preparation (continued)

Issued IFRS's that are not yet effective

Any standards and interpretations that have been issued but are not yet effective, and that are available for early application, have not been applied by the Group in these financial statements.

The Group is currently reviewing the requirements of new standards and pronouncements, including IFRS 9 Financial Instruments and IFRS 15 Revenue to assess the potential impact on the Group.

2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled or jointly controlled by the Company (the subsidiaries and joint ventures) made up to 31 March 2015. Control is achieved where the Company is exposed to, or has the right, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In forming its assessment of control, the Group considers factors including its voting rights and the potential voting rights held by the Company and other shareholders in the investees through warrants and similar instruments. Warrants or similar instruments which cannot conceivably be exercised, given the terms of the instrument are excluded from that assessment. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets or liabilities of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

The Company has taken advantage of the exemption under section 408 (3) of the Companies Act 2006 and has not presented its Statement of Comprehensive Income in these financial statements. The Company's Statement of Comprehensive Income for the year ended 31 March 2015 includes a loss after tax of £31,049,627 (2014: £10,631,889).

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair value of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

2. Significant accounting policies (continued)

- assets that are classified as held for sale in accordance with IFRS 5 Non-current Assets held for sale and discontinued operations are measured in accordance with that standard.

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Gasol plc has assessed the nature of its joint arrangement and determined it to be a joint venture. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control or an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the group's share of losses in a joint venture equals or exceeds its interest in the joint ventures, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the group.

The Group recognises its share of fees charged to the joint venture under downstream transactions based on the share attributable to the other joint venture parties. Where the investment in joint venture carrying value has been reduced to nil, the share of such fees attributable to the Group is deferred as a liability and realised upon exit from the joint venture.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred and the amount of any non-controlling interests in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation and are initially measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

Goodwill arising on an acquisition of a business is carried at cost and is not amortised but is reviewed for impairment annually. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units that is expected to benefit from the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

2. Significant accounting policies (continued)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in an associate of a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognised is taken to the income statement. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate of a joint venture, or when the investment is classified as held for sale.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

Foreign currencies

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (the functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in pounds sterling (£), which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

2. Significant accounting policies (continued)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

Revenue

Revenue refers to project development fees and is recorded net of VAT. Revenue is recorded based on entitlement under the terms of the contract. Entitlement occurred upon financial close, which was considered to be met when the project secured bridge finance and the fee was paid by the joint venture vehicle at this point.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

The carrying amount of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. The Group's material financial instruments comprise loans and receivables and liabilities carried at amortised cost. The Group held certain embedded derivatives at fair value through profit and loss in the prior year that were extinguished in 2015 and were immaterial.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

2. Significant accounting policies (continued)

Trade and other receivables

Trade receivables are generally carried at original invoice amount less a provision for bad and doubtful debts (if any) and do not bear interest. They are initially recognised at fair value, and are subsequently measured at amortised cost using the effective interest method, less provision for impairment. Other receivables, including amounts due from related parties, are initially recognised at fair value which is typically the cash advanced under the terms of the advance or loan. The amounts are subsequently carried at amortised cost less provision for impairment.

For financial assets carried at amortised cost the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant.

If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). Given that the financial assets are typically loans and funding provided to a counterparty to secure and progress projects in the natural resources sector, the Group specifically considers the extent to which the counterparty has secured rights to projects, the progress of such projects and the market environment in which the project exists when assessing impairment.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash with three months or less remaining to maturity from the date of acquisition and that are subject to an insignificant risk of change in value.

Financial liabilities and equity

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 Group after deducting all of its liabilities.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and reward of ownership of the asset to another entity.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

2. Significant accounting policies (continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. Modifications to the terms of financial liabilities are assessed to determine whether they represent a substantial modification of the instrument. Where there is a substantial modification the modification is treated as an extinguishment of the previous instrument and the replacement instrument is recognised. The unamortised transaction costs associated with the previous instrument are expensed as a finance cost.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost.

Compound Financial Instruments

Compound financial instruments previously issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder. The number of shares to be issued does not vary with changes in fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to their initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition.

Share-based payments and warrants

The Group issues equity-settled share-based payments to certain employees and warrants to institutional investors as part of funding activities. Equity-settled share-based payments and warrants are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Actual results may vary from the estimates used to produce these financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant items subject to such estimates and assumptions include, but are not limited to:

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The goodwill arising on the acquisition of AEC (see note 13) represented the potential additional value associated with AEC's planned portfolio of projects, including Panoro and the value was underpinned by the anticipated economic benefit of future cash flows generated from the projects.

The Directors' have performed an impairment review, considering an economic assessment of the project portfolio and decided to recognise an impairment charge for the entire amount of goodwill given AEC's disposal of its Panoro interests, together with an assessment of its financial position at 31 March 2015. See note 13 for details.

Impairment of related party receivables

The Directors have reviewed the carrying value of loans and advances to related and other parties at 31 March 2015, which required judgment. In forming their assessment of carrying value of each asset, the Directors considered objective indicators of impairment and, where such indicators existed, have assessed the expected net present value of future cash flows associated with the asset. In particular, the Directors considered the extent to which the counterparties held rights to current projects or are expected to generate returns from their interests in current projects which provided a reasonable expectation that the loans would be repaid.

As a result of this review, the Directors consider impairments to be appropriate as detailed in note 8. The significant loans remaining primarily refer to funds advanced to AGDC and Afgem. These companies hold key gas purchase agreements and will form part of the Group's LNG project in West Africa. Given the progress to date in the project and its substantial anticipated economic value, the Group anticipates recovery of these loans. However, this assessment required judgment and the assessment may change if the project fails to progress as planned.

Going concern

Refer to note 1.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

4. Revenue

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Development fee income	1,106,224	-

A development fee of £1.58 million (€2 million) was contractually receivable in the year relating to the project management of bid preparation and organisation of the consortium to the supply and delivery of natural gas and electricity. The Group has a 30% joint venture interest in Electrogas Malta Ltd and only recognises gains and losses to the extent of unrelated investors' interests. As a result £474,096 (€600,000) has been recognised as deferred income and will be recognised as revenue upon the disposal of the Group's joint venture interest. See note 18 for more details.

5. Other income

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Other operating income	68,000	68,000

Other operating income of £68,000 relates to an agreement with Afrade SA ('Afrade' formally African Gas Trading & Services SA), a wholly-owned subsidiary of AfGas Infrastructure Limited ("AfGas") to provide office space and general administration and support services. See note 28 for more details.

Notes to the consolidated financial statements for the year ended 31 March 2015

6. Operating loss and auditor's remuneration

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Group operating loss for the year is stated after charging the following:		
Staff costs (note 7)	1,458,855	1,484,422
Depreciation of property, plant and equipment	5,536	2,044
Operating lease payments	192,010	179,588
Share-based payments (note 22)	77,815	86,508
Impairment losses (note 8)	14,150,585	3,000,000
Auditor's remuneration		
- Audit of the Group and Company financial statements	37,500	23,764
- Audit of the Group's subsidiaries pursuant to legislation	7,000	3,500
Total audit fees	44,500	27,264
Other services		
- Taxation advice	10,570	2,850

Exceptional items

During the previous year there were £1,247,220 of transaction costs which related to the aborted acquisition of Energie de Cote d'Ivoire S.A. These costs are not expected to be incurred on an ongoing basis and were therefore classified as an exceptional cost.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

7. Staff costs

	Year ended 31 March 2015	Year ended 31 March 2014
	£	£
Directors' fees and emoluments (note 28)	768,356	601,542
Wages and salaries	481,223	660,657
Pension costs	74,313	76,939
Social security costs	134,963	145,284
	<u>1,458,855</u>	<u>1,484,422</u>
The average number of employees (including executive Directors) employed by the Group during the year was:	Number	Number
Management and finance	4	4
Administrative and support	6	6
	<u>10</u>	<u>10</u>

In the year ended 31 March 2015, employee remuneration included £38,754 of payments into defined contribution pension payments (2014: £56,939).

The highest paid Director received total emoluments in the year in respect of service of £255,000 (2014: £270,000).

8. Impairment of assets

	Year ended 31 March 2015	Year ended 31 March 2014
	£	£
Impairment of goodwill (note 13)	252,059	3,000,000
Impairment of loans receivable (note 17)	10,916,416	-
Impairment of options	2,982,110	-
	<u>14,150,585</u>	<u>3,000,000</u>

During the year, the goodwill relating to the acquisition of AEC of £252,059 was impaired in full.

At year end, it was decided that due to the significant decline of international iron ore prices, it was appropriate to impair the advance to AIOG made as part of a strategic partnership agreement to explore iron ore opportunities. The loan was originally repayable on the 27 March 2016 and was impaired by £1,685,056 to a carrying value of £Nil (2014: £1,523,150 equivalent to \$2,500,000). However if the market, by nature cyclical, was to recover, the Board considers that its strategic alliance with AIOG could potentially generate future benefits. The loan advanced to African Energy Development ("AED") was also impaired fully in the absence of projects considered to support the carrying value amounting to £9,012,471. The loans are now overdue but the Board expects to extend the maturity of these loans to align to the West African Gas Project.

Notes to the consolidated financial statements for the year ended 31 March 2015

8. Impairment of assets (continued)

An impairment of £218,889 has been recognised in relation to the loan advanced to PP of £513,394 which was restructured subsequent to year end. In July 2015 PP went into pre-pack administration. Under this arrangement Intrinsic Equity provided new funding to buy the business and assets of PP; the new company being Intelligent Energy Saving Company Holdings Ltd. The Group agreed to take £295,276 of new loan notes issued by the new company as part of the pre-pack administration. The Group's receivable balance was therefore impaired to £311,714 which is due in five years from the end of this financial year. Refer to note 17 for more details.

During the year AEC acquired options giving them the right to purchase shares in Afgen. At the year-end it was decided these should be impaired in full amounting to £2,982,110, as the option expired during the year.

9. Finance income

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Interest received on bank deposits	1,574	6,144
Interest from related party	959,210	94,492
Other interest on loans	178,904	-
	<u>1,139,688</u>	<u>100,636</u>

The interest from the related parties relates to the loans that have been advanced to Afgen, AGDC and AED. The other interest relate to loans advanced to PP Limited and other facilities advanced. See note 17 for more details.

10. Finance costs

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Convertible loan and bond instrument interest (note 19)	6,220,764	2,038,743
Cost of borrowing – warrant award	-	35,271
Cost of borrowing – transaction costs (note 19)	4,488,467	1,420,195
Fair value adjustment on embedded derivatives	-	(76,861)
Foreign exchange	7,376,444	(895,017)
Other interest	43,864	8,747
	<u>18,129,539</u>	<u>2,531,078</u>

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

10. Finance costs (continued)

Cost of borrowing - transaction costs, includes amortisation of transaction costs incurred in respect of borrowings. The figure includes £3.1m of charges in respect of the AEC Senior Notes extension. The transaction represented a significant modification of the Senior Notes with the unamortised transaction costs associated with the Notes expensed accordingly.

11. Loss on disposal of investment

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Loss on disposal of investment	(6,685,164)	-

On the 28 May 2014, Afrique Energie Corporation, a subsidiary of Gasol plc, acquired 23.6 million shares for £14,490,726 in Panoro Energy ASA which is traded on the Oslo Stock Exchange for a 10.06% holding. The entire shareholding was sold by Afrique Energie Corporation in February 2015 at the market rate totalling £7,805,562 and a loss was recognised of £6,685,164.

12. Taxation

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Loss before taxation	(41,347,963)	(10,632,295)
Loss before taxation at the standard rate of corporation tax in the UK of 21% (2014: 23%)	(8,683,072)	(2,445,428)
Effects of:		
Expenses not deductible for tax purposes	4,376,670	695,306
Unutilised tax losses	4,306,402	1,750,122
Current tax charge	-	-

The Group has incurred tax losses for the period and a corporation tax charge is not anticipated. The amount of the unutilised tax losses has not been recognised in the financial statements as the recovery of this benefit is dependent on the future profitability of certain subsidiaries, the timing of which cannot be reasonably foreseen.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2015

13. Goodwill

	31 March 2015 £
Cost	
At 1 April 2014	-
Amounts recognised from business combinations occurring during the year (note 14)	252,059
Impairment of goodwill	<u>(252,059)</u>
At 31 March 2015	<u>-</u>

On the 19 May 2014 Gasol Upstream Limited, a wholly owned subsidiary of Gasol Plc, acquired 41,936,000 shares of AEC representing a 52.1% holding, to continue exploring opportunities for the supply of natural gas and LNG. The acquisition was intended to allow the group to develop a controlling stake in OML 113, Nigeria. AEC has been consolidated into the Group financial statements as a subsidiary as the Group considered that it held control and the acquisition was considered to represent a business combination. See note 14 for more details.

This goodwill has been fully impaired based on a review of AEC's financial position and activities following its disposal of the Panoro shareholding.

The company impaired goodwill of £3,000,000 in 2013 which related to its historic reverse acquisition of African LNG as the projects being structured by African LNG at that time were no longer being progressed in substantially the same form as envisaged at the original date of acquisition.

14. Business combination

AEC was acquired during the year giving rise to goodwill (see note 13). The calculation of goodwill was based on the following;

Consideration transferred – fair value

	£
Cash consideration (i)	594,351
Total	<u>594,351</u>

- (i) Gasol Upstream Limited acquired 41,936,000 shares in AEC for a total cash aggregate sum of \$1,000,000 (GBP: £594,351). Cash of £28,115 was acquired as part of the acquisition and therefore the net consideration was £566,236.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

14. Business combinations (continued)

Assets acquired and liabilities recognised at the date of acquisition – fair value

	£
Current assets	
Cash and cash equivalents	28,115
Trade and other receivables	628,370
Total	<u>656,485</u>

Non-controlling interest

The non-controlling interest of 47.9% has been recognised at the acquisition date was measured at the non-controlling interest share of the fair value of assets and liabilities acquired and amounted to £314,193.

Goodwill arising on acquisition

	£
Consideration transferred	594,351
Plus: non-controlling interest	314,193
Less: fair value of identifiable net assets acquired	(656,485)
Goodwill arising on acquisition	<u>252,059</u>

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2015

15. Investment in joint ventures

	31 March 2015 £
At 1 April 2014	-
Investment in joint venture	2,442
Share of joint venture's losses	(2,442)
At 31 March 2015	<u>-</u>

Details of the Group's joint venture at the end of the reporting period is as follows:

Name	Place of incorporation (or registration) and operation	Activity	2015 Proportion of ownership interest %	2014 Proportion of ownership interest %
Electrogas Malta Ltd	Malta	Joint Venture	30%	-

The Group entered into a share purchase agreement where it has acquired a 30% stake for €3,000 in a special purpose company which provided the Group with joint control over the joint venture vehicle, requires unanimous

	31 March 2015 £
Current assets	2,680,640
Non-current assets	87,906,000
Current liabilities	(16,698,100)
Non-current liabilities	(73,939,500)
	<u>Equity attributable to owners of the Company</u>
	(50,960)
Revenue	-
Loss for the year	(30,102)
Total comprehensive loss	<u>(30,102)</u>

approval for key strategic and operating decisions. The project in Malta, in which Gasol participates in and leads an international consortium, is to deliver and regasify LNG in order to supply gas to both an existing power plant and to a newly constructed power plant built by the same consortium. This project has entered the construction phase through a temporary bridge loan supplied by Bank of Valetta at the end of December 2014. The Open Cycle phase is expected to start in September 2016 and the Combined Cycle phase in March 2017. Summarised financial information in respect of each of the Group's material joint ventures is set out above. The summarised financial information above represents amounts in associates' financial statements. The Group's share of joint venture losses are limited to its equity investment.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

15. Investment in joint ventures (continued)

set out below. The summarised financial information below represents amounts in associates' financial statements. The Group's share of joint venture losses are limited to its equity investment.

16. Property, plant and equipment

	Office equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2013 and 31 March 2014	107,723	-	107,723
Additions	8,544	-	8,544
At 31 March 2015	116,267	-	116,267
Depreciation			
At 1 April 2013	113,866	407,328	521,194
Charge for the year	(11,387)	(407,328)	(418,715)
At 31 March 2014	104,523	-	104,523
Charge for the year	5,536	-	5,536
At 31 March 2015	110,059	-	110,059
Carrying amount			
At 31 March 2015	6,208	-	6,208
At 31 March 2014	3,200	-	3,200
At 31 March 2013	1,397	-	1,397

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

17. Trade and other receivables

	31 March 2015 £	31 March 2014 £
Non-current assets:		
Loan advance to AIOG	-	1,523,150
Amounts owed by related parties	311,714	-
Rent deposit	114,338	-
	<u>426,052</u>	<u>1,523,150</u>
Current assets:		
VAT recoverable	-	177,163
Prepayments and accrued income	243,432	140,133
Other receivables	3,406,686	1,243,401
Amounts owed by related parties	9,364,565	1,721,738
	<u>13,014,683</u>	<u>3,282,435</u>

At year end, due to the significant decline of international iron ore prices, it was considered appropriate to impair the non-current advance to AIOG made as part of a strategic partnership agreement to explore iron ore opportunities. The loan was originally repayable on the 27 March 2016 and was impaired to a carrying value of £Nil (2014: £1,523,150 equivalent to \$2,500,000). However if the market, by nature cyclical, was to recover, the Board considers that its strategic alliance with AIOG could potentially generate future benefits.

On the 16 May 2014, Gasol invested into secured loan notes an initial £200,000 to PP with a further £300,000 subject to PP entering into an invoice discounting facility which was completed on the 22 July 2014. The loan notes paid an interest rate of 8% per annum with a term of three years and were secured on assets of PP. In July 2015 PP went into pre-pack administration. Under this arrangement Intinsic Equity provided new funding to buy the business and assets of PP; the new company being Intelligent Energy Saving Company Holdings Ltd. The Group agreed to take £295,276 of new loan notes issued by the new company as part of the pre-pack administration. At the year-end this balance was impaired by £218,889 (2014: £nil) and £311,714 is included in non-current under amounts owed by related parties, receivable on the 1 April 2017.

There is an amount included in current other receivables relating to Electrogas Malta Ltd totalling £3,144,770 (2014: £nil) equivalent to €4,300,000 which is held with SOCAR Trading SA ("SOCAR") which was settled after year end.

The Group has provided further loan advances to AfGen in the year, with the receivable amounting to £4,884,766 (2014: £1,715,304). This debt is guaranteed by AGDC, a major shareholder of Gasol and Afgen's parent company. During the year, three facilities were advanced to AGDC consisting of \$2,500,000 receivable on 27 October 2015, \$4,000,000 receivable on 1 December 2015 and \$2,100,000 receivable on 15 January 2016. These are all repayable with interest at 17%. The AGDC loans total £4,479,799 (2014: £Nil). The initial loan was not called for payment on 27 October 2015 and the Group anticipates extending the maturity date for these loans to align with the progress of its West African LNG project to which Afgen and AGDC are key participants.

During the year two facilities were advanced to AED consisting of \$6,000,000 receivable on 20 October 2015 and \$7,500,000 receivable on 3 December 2015, both repayable with an interest rate of 17%. Following an impairment review, the Directors considered it appropriate to impair the outstanding balance at year end of £9,012,471 (2014: £nil). The loans are now past due.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

17. Trade and other receivables (continued)

Included in current other receivables in 2014 is the break fee of the proposed acquisition of the Energie de Cote d'Ivoire from GDF Suez amounting to £Nil (2014: £1.1 million). This was received in the year.

The Directors consider that the carrying amount of trade and other receivables approximates fair value.

18. Trade and other payables

	31 March 2015 £	31 March 2014 £
Other taxes and social security	89,856	35,782
Accruals	398,957	468,687
Trade payables	825,988	1,672,765
Other payables	35,035	-
Deferred income (note 4)	474,096	-
	<u>1,823,932</u>	<u>2,177,234</u>

Trade and other payables are significantly higher in the prior year due to costs incurred in relation to the aborted transaction.

£474,096 (€600,000) of a project development fee has been recognised as deferred income relating to the project management of bid preparation and organisation of the consortium to the supply and delivery of natural gas and electricity. This is in respect of the 30% joint venture holding interest in Electrogas Malta Ltd as detailed in note 4.

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2015

19. Borrowings

Current liabilities	31 March 2015 £	31 March 2014 £
Convertible loan note	725,741	1,002,550
Bond instruments and Senior Notes	14,816,573	-
Embedded derivative	-	54,609
Loan fees – warrant charge (note 22)	-	(30,799)
Loan fees – transaction costs	(791,626)	-
	<u>14,750,688</u>	<u>1,026,360</u>
Non-current liabilities	31 March 2015 £	31 March 2014 £
Bond instruments and Senior Notes	56,228,653	30,828,145
Loan fees – warrant charge (note 22)	-	(116,391)
Loan fees – transaction costs	(5,885,552)	(4,618,758)
	<u>50,343,101</u>	<u>26,092,996</u>

The movement on each loan can be summarised as follows:

	Bond instrument 1 £	Bond instrument 2 £	Convertible loan 3 £	Convertible loan 4 £	Bond instrument 5 £	Senior Notes 6 £	Total £
Balance at 1 April 2014	10,592,531	15,500,465	691,290	335,070	-	-	27,119,356
Cash raised on new loans	-	-	-	-	18,645,121	13,582,720	32,227,841
Cash issue cost of new loans	-	-	-	-	(3,371,872)	(3,141,105)	(6,512,977)
Finance charge: interest (note 10)	1,302,759	1,676,745	34,451	1,597	785,825	2,419,387	6,220,764
Finance charge: unwinding transaction costs and extinguishment charges (note 10)	863,590	836,945	-	33,911	487,455	2,266,566	4,488,467
Cash repayments	(1,249,020)	(1,654,628)	-	(370,578)	-	(2,201,238)	(5,475,464)
FX revaluation	1,462,600	2,194,000	-	-	1,575,579	1,793,623	7,025,802
Balance at 31 March 2015	12,972,460	18,553,527	725,741	-	18,122,108	14,719,953	65,093,789

Refer to note 30 and note 1 for details of defaults arising post year end on the borrowings.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

19. Borrowings (continued)

Bond instrument 1

On 5 March 2013, a bond instrument was agreed and entered into of \$100,000,000 (£66,088,000) of which an initial \$20,000,000 (£13,217,600) has been drawn down. The repayment date of the bond was 28 February 2016, with interest accruing at 10% payable semi-annually. After year end, the bond was not repaid on the repayment date and went into default and was consequently restructured in June 2017 – see note 30 for more details. The effective annual interest rate is 19.95%. The loan provider was granted 1,000,000 warrants in relation to the financing – see note 22 for further details.

Bond instrument 2

On 28 October 2013, a bond instrument was agreed and entered into of \$100,000,000 (£58,365,070) of which an initial \$30,000,000 (£18,528,600) has been drawn down. The repayment date of the bond was 31 December 2017, with interest accruing initially at 9% payable semi-annually and rising to 13% on 24 October 2014 if certain conditions about subordinated pledges are not met. The effective annual interest rate is 15.95%. After year end, as the Group defaulted on one of its bond instruments, this bond instrument also became payable immediately and was then consequently restructured in June 2017. See note 30 for more details.

Convertible loan 3

On 15 March 2013, a convertible loan agreement with SOCAR. of £670,825 was entered into of which the whole amount has been drawn down with interest accruing at 4% compounded annually. The repayment date of the loan or conversion into shares at the lenders option was 15 March 2015 however the lender did not exercise this right and it was agreed that the liability would be offset against the loan receivable from SOCAR. As a result, the embedded derivative has expired.

Convertible loan 4

On 2 May 2014 all outstanding capital and interest on this convertible loan facility with Banque Benedict Hentsch & CIE SA (“BBH”) was repaid for cash and therefore the convertible option lapsed.

Bond instrument 5

On 14 October 2014, Gasol LNG Import Limited a fully owned subsidiary of Gasol plc, agreed and entered into a \$100,000,000 (£62,150,403) bond instrument of which an initial \$30,000,000 (£18,645,121) has been drawn down. The repayment date of the bond was 14 December 2017, with interest accruing at 8.75% payable semi-annually. After year end, as the Group defaulted on one of its bond instruments, this bond instrument also became payable immediately and was then consequently restructured in June 2017. See note 30 for more details.

Notes to the consolidated financial statements for the year ended 31 March 2015

19. Borrowings (continued)

Senior notes 6

Afrique Energie Corporation holds Senior Notes with Tradexec (Tex) Ltd for \$23,000,000 (£15,660,076) and which Gasol has provided a guarantee over. The Senior Notes originally had an interest rate of 20% and a repayment date of 13 February 2015. This Senior Notes were subsequently renegotiated to a repayment date of 13 February 2017 and bore interest rate of 8%. The renegotiated terms represented a substantial modification under IFRS and the previous instrument was accounted for as an extinguishment and replaced by the new instrument. The previous unamortised transaction costs were expensed as detailed in note 10. After year end, as the Group defaulted on one of its bond instruments, this bond instrument also became payable immediately and was then consequently restructured in June 2017. See note 30 for more details.

Total movements in borrowings can be summarised as follows:

Borrowings	31 March 2015 £	31 March 2014 £
Brought forward	27,119,356	12,047,743
Cash issue of new bond	32,227,841	18,528,600
Cash repayment of convertible loans	(370,578)	(364,438)
Cash commission costs recognised	(6,512,977)	(3,487,270)
Non-cash finance charge	1,081,966	554,005
Unwinding loan fees	33,912	82,653
Embedded derivative	-	(76,861)
Loan fees – warrant charge (note 22)	-	(58,944)
Unwinding of commission costs	4,488,467	1,418,453
Foreign exchange revaluation	7,025,802	(1,524,585)
	65,093,789	27,119,356

20. Operating lease arrangements

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

Group and Company	31 March 2015 £	31 March 2014 £
Within one year	278,098	246,684
Between one and five years	393,972	596,153
	672,070	842,837

The operating lease relates to the lease of office premises at 40 New Bond Street, London which will continue to run until August 2017.

A sub-lease is in place with International Mining and Infrastructure Corporation plc who paid £117,033 (2014: £98,511) in rent and service charges during the year ended 31 March 2015.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2015

21. Share capital

	31 March 2015 Number	31 March 2014 Number	31 March 2015 £	31 March 2014 £
Authorised:				
Ordinary shares of 0.5p each	40,000,000	40,000,000	200,000	200,000
Allotted, called up and fully paid				
Ordinary shares of 0.5p each	33,511,698	33,511,698	167,558	167,558

Movements in issued share capital

	Number of Ordinary Shares No.	Ordinary Share Capital £	Share Premium £	Total £
At 1 April 2014 and 31 March 2015	33,511,698	167,558	73,135,810	73,303,368

The Company has one class of ordinary share which carries no right to fixed income.

Shares reserved under warrants issued as part of the loan financing received in December 2012 and employee share schemes are further disclosed in note 22.

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

22. Share options and other share-based payments

The following illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options and warrants during the period.

	Number of share options and warrants year ended 31 March 2015	WAEP pence 2015	Number of share options and warrants year ended 31 March 2014	WAEP pence 2014
Outstanding at beginning of the year	2,075,333	65.53	2,595,333	132.50
Granted during the period	-	-	120,000	30.00
Lapsed during the period	(120,000)	30.00	(640,000)	11.64
Outstanding at end of the year	1,955,333	67.71	2,075,333	65.53
Exercisable at end of the year	1,955,333	67.71	1,875,333	66.33

The weighted average remaining contractual life of the options and warrants outstanding at the balance sheet date was 3.85 years (2014: 5.88 years) and a range of exercise price exist from 20p to 2000p.

The following table lists the inputs to the model used to determine the fair value of options and warrants granted. Note no share options were issued during the year:

	Year ended 31 March 2014
Pricing model used	Black-Scholes
Weighted average share price at grant date (pence)	34
Weighted average exercise price (pence)	30
Weighted average contractual life (years)	1.00
Share price volatility (%)	139%
Dividend yield	0%
Risk-free interest rate (%)	2.5%

In forming the volatility assumptions the Directors have considered the volatility of the share price since the date of listing on AIM. The Company has since de-listed. The volatility of companies operating in the same sector was also reviewed.

The total share-based payment expense for the year ended 31 March 2015 was £6,945 (2014: £86,508) in relation to share options and warrants. Of this, £296 (2014: £11,777) related to share options and £6,649 (2014: £74,731) related to the warrants issued. Warrants costs are held as a debit balance against the loan issued and released to the income statement over the term of the loan. As at 31 March 2015 £55,665 (2014: £147,190) is deferred against the loan to match the life of the borrowings (note 19).

All share-based payments are equity-settled.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2015

23. Subsidiaries and joint ventures

Details of the Company's subsidiaries and joint ventures at 31 March 2015 are as follows:

Name	Place of incorporation (or registration) and operation	Activity	2015 Proportion of ownership interest %	2014 Proportion of voting power held %
Direct holdings:				
African LNG Holdings Limited	The Republic of Seychelles	LNG operations	100%	100%
Gasol Power Limited	United Kingdom	Services Company	100%	-
Gasol LNG Import Limited	United Kingdom	Interim Holding Company	100%	-
Gasol Upstream Limited	United Kingdom	Interim Holding Company	100%	-
Afgas Infrastructure Limited	The Republic of Seychelles	Infrastructure development	75%	75%
Afgas Nigeria Limited	Nigeria	Energy research	75%	75%
SONAF G.E.S.A	Equatorial Guinea	Energy research	50%	50%
Indirect Holdings:				
African LNG Services Limited	United Kingdom	Services company	100%	100%
Gasol Malta Limited	United Kingdom	Interim Holding Company	100%	-
Gasol (Mauritania) Limited	United Kingdom	Interim Holding Company	100%	-
Gasol (Cote d'Ivoire) Limited	United Kingdom	Interim Holding Company	100%	-
Gasol (Cote d'Ivoire) SA	Cote d'Ivoire	Services Company	100%	-
Afrique Energie Corporation	Canada	Energy research	52.1%	-

**Notes to the consolidated financial statements
for the year ended 31 March 2015**

24. Cash and cash equivalents

	31 March 2015 £	31 March 2014 £
Current assets		
Cash at hand and in bank	74,359	11,695,933

Cash and cash equivalents held in current assets comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less.

The majority of the cash balances are held at banks with a Standard and Poor's credit rating of at least AA- and registered in the United Kingdom. Balances held with foreign banks are insignificant.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

25. Non-controlling interest

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	31 March 2015 £
Current assets	27,823
Non-current assets	11,055
Current liabilities	(16,729)
Non-current liabilities	(14,719,952)
Equity	(14,697,803)
Expenses	(15,776,563)
Loss for the year	(15,776,563)
Attributable to owners of the Company	(8,225,902)
Non-controlling interests	(7,550,661)
Total	(15,776,563)
	31 March 2015 £
Non-controlling interest on acquisition of AEC (note 4)	314,193
Loss for the period	(7,550,661)
	(7,236,468)

Notes to the consolidated financial statements for the year ended 31 March 2015

26. Financial instrument risk exposure and management

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The material financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Borrowings

Financial instruments by class and by category

		Loans and Receivables	
		31 March 2015	31 March 2014
		£	£
Non-current financial assets			
Trade and other receivables		420,668	1,523,150
Current financial assets			
Trade and other receivables		12,776,633	2,965,139
Cash and cash equivalents		74,359	11,695,933
Total financial assets		13,271,660	16,184,222
Financial liabilities measured at amortised cost			
		31 March 2015	31 March 2014
		£	£
Current financial liabilities			
Borrowings		14,750,688	1,026,360
Accruals		398,957	468,687
Trade and other payables		1,335,119	1,672,764
		16,484,764	3,167,811
Non-current financial liabilities			
Borrowings		50,343,101	26,092,996
Total financial liabilities		66,827,865	29,260,807

Notes to the consolidated financial statements for the year ended 31 March 2015

26. Financial instrument risk exposure and management (continued)

	Financial liabilities measured at fair value through profit and loss	
	31 March 2015 £	31 March 2014 £
Current financial liabilities		
Embedded derivatives (level 3)	-	54,609

The different levels of valuation for fair value through profit and loss items have been defined as follows:

Level 1: valued using trading prices (unadjusted) in active markets for identical assets and liabilities;

Level 2: valued using inputs that are observable for the asset or liability, either directly (that is as prices), or indirectly (that are derived from prices); and

Level 3: valued using inputs that are not observable for the asset or liability.

The embedded derivatives are considered immaterial and therefore no valuation inputs or sensitivity analysis is provided. The directors consider that the carrying amounts of financial assets and financial liabilities which are recorded at amortised cost in the financial statements approximate their fair values for current and non-current classification.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The Board receives monthly reports from the Group Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below and in note 2 of these financial statements:

Credit risk

Cash and cash equivalents

The Group's principal financial assets are bank balances and trade and other receivables.

Notes to the consolidated financial statements for the year ended 31 March 2015

26. Financial instrument risk exposure and management (continued)

Credit risk arises from the Group's cash balances with principal risk arising due to its receivables. Credit risk is the risk that the counterparty fails to repay its obligation in respect of the amounts owed.

The concentration of the Group's credit risk is considered by counterparty, geography and by currency. The Group has cash held on deposit with a number of large banks in the United Kingdom with AA ratings and above (Standard and Poor). The concentration of credit risk on cash was not significant at year end.

Trade receivables

At the year end, the credit risk relates to outstanding unimpaired receivable balances. There is an amount owed to the Group from Afgen amounting to £4,884,766 (2014: £1,715,305) as detailed in note 17. This debt is guaranteed by AGDC, a major shareholder of Gasol. Three facilities were advanced to AGDC amounting to £4,479,799 including interest as detailed in note 17. There is an amount included in current other receivables relating to Electrogas Malta Ltd totalling £3,144,770 (2014: £nil) equivalent to €4,300,000 which is held with SOCAR which was received after year end.

The Board performs an assessment of credit worthiness and considers the collectability of loans on a regular basis.

No trade and other receivables are past their due settlement date, except as noted in note 17. The Directors consider that the carrying amount of trade and other receivables approximates to their fair value. Impairment provisions are detailed in note 17.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Group monitors its cash balance on a daily basis and produces forecasts of its required expenditure over the coming year for review by management. Management can then take action to secure the right amount of funding at the appropriate time. At year end there is a material uncertainty regarding liquidity and going concern as detailed in note 1.

Maturity of financial liabilities

At 31 March 2015	Payable within 30 days £	Payable between 30 days and one year £	Due after one year £
Accruals	398,957	-	-
Trade and other payables	1,335,119	-	-
Borrowings	-	14,750,688	50,343,101
Total financial liabilities	1,734,076	14,750,688	50,343,101

Notes to the consolidated financial statements for the year ended 31 March 2015

26. Financial instrument risk exposure and management (continued)

At 31 March 2014	Payable within 30 days £	Payable between 30 days and one year £	Due after one year £
Accruals	468,687	-	-
Trade and other payables	1,672,764	-	-
Borrowings	-	1,026,360	26,092,996
Embedded derivatives	-	54,609	-
Total financial liabilities	2,141,451	1,080,969	26,092,996

Post year end, the Company defaulted on one of the bond instruments and as a result, all borrowings become repayable immediately. Refer to note 1 to the financial statements for details of defaults on liabilities.

Market risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group has interest bearing assets and liabilities, being cash and cash equivalents, other receivables and borrowings respectively. However, no interest is currently received in cash and cash equivalents and all borrowings are subject to fixed interest rates. The Group therefore does not suffer from any interest rate risk and consequently sensitivity analysis is not considered necessary.

Foreign currency risk

As highlighted earlier in these financial statements, the functional currency of the Company and its subsidiaries is £ sterling with the exception of AEC which is Canadian Dollars. The Company also has foreign currency denominated assets and liabilities. Exposures to exchange rate fluctuations therefore arise. The carrying amount of the Company's foreign currency denominated monetary assets and liabilities, all in US \$, are shown below in the Company's functional currency.

	31 March 2015 £	31 March 2014 £
Cash at bank	74,359	11,695,933
Other receivables	12,175,096	-
Borrowings	(65,093,789)	(27,119,356)
	(52,844,334)	(15,423,423)

Notes to the consolidated financial statements for the year ended 31 March 2015

26. Financial instrument risk exposure and management (continued)

The Company's main exposure to foreign currency risk is on the US\$ denominated borrowings (see note 19).

The Company also pays for most invoices denominated in a foreign currency in GBP £. The Company therefore does suffer from a level of transactional foreign currency risk. The directors currently believe that foreign currency risk is at an acceptable level.

The Company does not enter into any derivative financial instruments to manage its exposure to foreign currency risk.

The following table details the Company's sensitivity to a 10% increase and decrease in the US\$ against Sterling. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The table below shows the effect of a 10% weakening and strengthening of the US\$ against £ Sterling.

	\$ Currency impact strengthening £	\$ Currency impact weakening £
2015		
Assets	1,961	(1,961)
Liabilities	(6,554,120)	6,554,120
	<u>(6,552,159)</u>	<u>6,552,159</u>
	\$ Currency impact strengthening £	\$ Currency impact weakening £
2014		
Assets	1,850,351	(1,850,351)
Liabilities	(5,160,690)	5,160,690
	<u>(3,310,339)</u>	<u>3,310,339</u>

Notes to the consolidated financial statements for the year ended 31 March 2015

27. Capital management

The Group's objective when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio, being net debt (borrowings less cash and cash equivalents) divided by total capital (attributable equity plus net debt). In previous periods the Group funded itself primarily through equity funding on the AIM market and debt.

	31 March 2015 £	31 March 2014 £
Total borrowings (note 19)	65,093,789	27,119,356
Less: cash and cash equivalents	(74,359)	(11,695,933)
Net debt	65,019,430	15,423,423
Total equity	(46,159,953)	(12,791,872)
Total capital	18,859,477	2,631,551
Gearing ratio	345%	586%

28. Related party transactions

The following transactions were carried out with related parties:

Services received

	31 March 2015 £	31 March 2014 £
Mr Ethelbert Cooper	240,000	190,000

Mr Ethelbert Cooper, a Director of the Company has received £240,000 (2014: £190,000) in respect of his services to Gasol in the year to 31 March 2015.

Services provided

	31 March 2015 £	31 March 2014 £
IMIC plc	117,033	98,511
Afrade	68,000	68,000
AIOG	26,155	2,431
	211,188	168,942

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2015

28. Related party transactions (continued)

Rent and service charges receivable in respect of the sub-lease to IMIC plc, of which Mr Haresh Kanabar is non-executive chairman, amounted to £117,033 (2014: £98,511). This is netted against the rental expense in administration expenses. An employee of IMIC plc was also recharged from IMIC plc to Gasol which amounted to £35,105.

Gasol have an agreement with Afrade SA ('Afrade' formally African Gas Trading & Services SA), a wholly-owned subsidiary of AGDC to provide office space and general admin and support services. Gasol have a licence agreement with Afrade for which £68,000 (2014: £68,000) was paid during the year ended 31 March 2015. Amounts receivable at the year-end were offset against amounts due to Mr Ethelbert Cooper.

Gasol recharged IT support to AIOG, amounting to £Nil (2014: £2,431). AIOG is a related party connected by Mr Ethelbert who is the chairman of AIOG.

Year-end balances arising from services received / provided

	31 March 2015 £	31 March 2014 £
Payables to related parties:		
IMIC (rent deposit)	19,389	19,389
Afrade (rent deposit)	5,667	5,667
	<u>25,056</u>	<u>25,056</u>
Receivables from related parties:		
Afrade	-	6,433
AIOG	-	586
IMIC	185	-
	<u>185</u>	<u>7,019</u>

Loans to/from related parties

Refer to notes 8 and 17 for details of the Group's related party receivable impairment review and impairment charges.

AfGen a company in which Mr Ethelbert Cooper has an indirect beneficial interest, owes the Group £4,884,766 (2014: £1,715,305). This loan is included in amounts owed from related parties. The sums are to be used for working capital purposes and bear interest at 10% per annum.

AGDC owes the Group £4,479,799 (2014: £nil) which consists of three facilities of \$2,500,000 receivable on the 27 October 2015, \$1,595,000 receivable on the 1 December 2015 and \$2,100,000 receivable on the 15 January 2016. These facilities are included in amounts owed by related parties and bears interest at 17%.

Notes to the consolidated financial statements for the year ended 31 March 2015

28. Related party transactions (continued)

A loan was originally advanced to AED who owed the Group £nil (2014: £nil). This consisted of two facilities for \$6,000,000 receivable on the 20 October 2015 and \$7,500,000 receivable on the 3 December 2015 both repayable with an interest rate of 17%. At the year end the principal balance was impaired in full as it was no longer considered recoverable.

At year end, given the significant decline of international iron ore prices, the Board considered it appropriate to impair the non-current advance to AIOG made as part of a strategic partnership agreement to explore iron ore opportunities. The loan was originally repayable on the 27 March 2016 and was impaired to a carrying value of £Nil (2014: £1,523,150 equivalent to \$2,500,000). However if the market, by nature cyclical, was to recover, the Board considers that its strategic alliance with AIOG could potentially generate future benefits.

On the 16 May 2014, Gasol invested into secured loan notes with PP, a related party due to Common Director with Angus Robertson, an initial £200,000 with a further £300,000 subject to PP entering into an invoice discounting facility which was completed on the 22 July 2014. The loan notes paid an interest rate of 8% per annum with a term of three years and were secured on assets of PP. In July 2015 PP went into pre-pack administration. Under this arrangement Intrinsic Equity provided new funding to buy the business and assets of PP; the new company being Intelligent Energy Saving Company Holdings Ltd. The Group agreed to take £295,276 of new loan notes issued by the new company as part of the pre-pack administration. During the year an impairment of £218,889 (2014: £nil) was made.

Key management remuneration

Directors' remuneration

The key management personnel of the Group are the Directors of Gasol, the remuneration of which is show below:

	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Short term employee benefits to Executive Directors	592,734	444,000
Short term employee benefits to Non-Executive Directors	175,622	157,542
Total Directors' remuneration	768,356	601,542

There were no pension benefits accruing to Directors under defined benefit schemes in the year (2014: £nil). The aggregate emoluments for Executive Directors include £35,559 (2014: £20,000) of contributions to a personal pension plan.

No Director exercised any share options during the year (2014: £nil).

The highest paid Director received total emoluments in the year in respect of service of £255,000 (2014: £270,000).

Gasol has purchased an insurance policy to protect Directors and Officers of Gasol in the event of any legal action being taken against them relating to the period that they hold office. In the year ended 31 March 2015, the cost of this insurance was £10,031 (2014: £11,327) and was borne entirely by Gasol.

Notes to the consolidated financial statements for the year ended 31 March 2015

29. Ultimate Controlling party

At 31 March 2015, the Company's immediate parent undertaking is AGDC by virtue of its 65.7% holding, a Company incorporated and registered in the Seychelles. The ultimate controlling party is the Klone Trust the parent company of AGDC, a private company

Afgas has entered into a relationship agreement which restricts its ability to appoint and remove directors.

30. Subsequent events

Bond Reorganisation

The Group currently has 4 bonds in issue, two by Gasol Plc, one by Gasol LNG Import Limited and the fourth by AEC. All of these bonds subsequently defaulted after the year end as a result of non-payment of interest and/or principal. In May 2017 the Company reached a commercial agreement with representatives of the bondholders to reschedule the terms of these bonds, which included:

- Extending the maturity dates of the bonds to the end of 2019;
- Capitalising unpaid interest into the bond principal
- Future interest payment dates to be annual; and
- The Company and its subsidiaries have the option to capitalise future interest amounts.

The Company completed the restructuring as at May 2017 and the bonds have ceased to be in default with new repayment dates of December 2019.

Gasol Plc's convertible loan with SOCAR was fully repaid on the 24 April 2015 through an assignment and novation agreement between SOCAR and Gasol LNG Import Ltd, whereby SOCAR held amounts paid in respect of project development fees and reimbursement of costs by Electrogas Malta as security for providing Gasol LNG Import's letter of credit under the joint venture. The total convertible loan of £725,541 was netted off against €4.3m of the security held at nil gain or loss to the Group.

On 7 April 2015, a MOU has been signed between Gasol Plc and the State of Benin for the engineering, construction, ownership, operation, operation, and the transfer of additional electrical power stations at a capacity of up to 3,000 MW in Maria Gleta, Benin.

On 8 April 2015, Gasol plc was granted a concession in the port of Cotonou to build and operate a LNG terminal with connections to the WAGP. This constitutes the main milestone of our Benin Project and allows the Company to focus on the construction and financing phases of the project.

On 15 May 2015 the balance of €3,309,592 due to Gasol LNG Import by Gasol plc under this arrangement was used to repay a loan made to AGDC by SOCAR, resulting in a loan to AGDC by Gasol LNG Import Ltd

Gasol Plc had invested £500,000 in secured loan notes on the 16th May 2014 in PP as detailed above. In July 2015 PP went into pre-pack administration. Under this arrangement Intrinsic Equity provided new funding to buy the business and assets of PP; the new company being Intelligent Energy Saving Company Holdings Ltd. The Group agreed to take £295,276 of new loan notes issued by the new company as part of the pre-pack administration. The Group's receivable balance was therefore impaired by £218,889.

Gasol Plc

Notes to the consolidated financial statements for the year ended 31 March 2015

30. Subsequent events (continued)

In Q2 2015, Gasol plc obtained the Shipper's status under the WAGP rules, being only the third company to be granted that status. It allows Gasol Plc to start transporting Gas for its Short Term Gas business and constitutes also an important milestone for its more important global LNG Project in Benin

Notes to the company financial statements for the year ended 31 March 2015

The parent company financial statements of Gasol Plc ("the Company") are presented as required by the Companies Act 2006 and were approved for issue on 4 September 2017. The balance sheet was signed on the board's behalf by Ethelbert JL Cooper.

Notes to the Company financial statements have only been prepared where there is a difference to the consolidated financial statements.

Significant accounting policies of the Group as detailed in note 2 of the Group financial statements have been applied in the preparation of the Company financial statements except as described below.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment

Contingent liabilities

Where the Company guarantees liabilities for its subsidiaries, such potential obligations are classified as contingent liabilities or provisions. If the Directors consider it possible that the liability will be called the contingent liability is disclosed. If the Directors consider it probable that the guarantee will be called a provision is made based on the expected discounted cash flow associated with the underlying liability.

31. Investments in subsidiary undertakings

The value of the subsidiaries owned by the Company at 31 March 2015 is as follows:

	Investments £
Cost	
At 1 April 2013 and 31 March 2014	400,003
Additions	
31 March 2015	<u>400,003</u>
Impairment	
At 1 April 2012, 31 March 2013 and 31 March 2014	<u>400,000</u>
Carrying amount	
At 31 March 2014	<u>3</u>
At 31 March 2015	<u>3</u>

**Notes to the company financial statements
for the year ended 31 March 2015**

32. Trade and other receivables

	31 March 2015 £	31 March 2014 £
Non-current assets:		
Advance to AIOG	-	1,523,150
Other receivables	306,330	-
Rent deposit	114,338	
	<u>420,668</u>	<u>1,523,150</u>
Current assets:		
Trade receivables	62,318	19,904
VAT recoverable	-	177,163
Other receivables	286,666	1,192,045
Prepayments and accrued income	243,432	140,133
Amounts owed by related parties	6,300,216	1,721,738
	<u>6,892,632</u>	<u>3,250,983</u>

At year end, due to the significant decline of international iron ore prices, it was considered appropriate to impair the non-current advance to AIOG made as part of a strategic partnership agreement to explore iron ore opportunities. The loan was originally repayable on the 27 March 2016 and was impaired to a carrying value of £Nil (2014: £1,523,150 equivalent to \$2,500,000). However if the market, by nature cyclical, was to recover, the Board considers that its strategic alliance with AIOG could potentially generate future benefits.

On the 16 May 2014, Gasol invested into secured loan notes an initial £200,000 to PP with a further £300,000 subject to PP entering into an invoice discounting facility which was completed on the 22 July 2014. The loan notes paid an interest rate of 8% per annum with a term of three years and were secured on assets of PP. In July 2015 PP went into pre-pack administration. Under this arrangement Intrinsic Equity provided new funding to buy the business and assets of PP; the new company being Intelligent Energy Saving Company Holdings Ltd. The Group agreed to take £295,276 of new loan notes issued by the new company as part of the pre-pack administration. At the year-end this balance was impaired by £218,889 (2014: £nil) and £294,505 is included in non-current other receivables receivable on the 1 April 2017.

Included in amounts owed by related parties is a loan advanced to AfGen amounting to £4,884,766 (2014: £1,715,304). This debt is guaranteed by AGDC, a major shareholder of Gasol. See note 28 for further details.

During the year, facilities were advanced to AGDC. These are all repayable with interest at 17%. The AGDC loans total £1,415,450 (2014: £Nil). The initial loan was not called for payment on 27 October 2015 and the Group anticipates extending the maturity date for these loans to align with the progress of its West African LNG project to which Afgen and AGDC are key participants.

Included in current other receivables is the break fee of the proposed acquisition of the Energie de Cote d'Ivoire from GDF Suez amounting to £Nil (2014: £1.1 million).

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

**Notes to the company financial statements
for the year ended 31 March 2015**

33. Trade and other payables

	31 March 2015 £	31 March 2014 £
Other taxes and social security	89,856	35,782
Accruals	376,382	461,811
Trade payables	817,958	1,672,629
Other payables	38,433	8,976
Amounts owed to Group Companies	2,016,366	-
	<u>3,338,995</u>	<u>2,179,198</u>

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs.

Trade and other payables are significantly higher in the prior year due to costs incurred in relation to the aborted transaction fees.

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

34. Borrowings

Current liabilities	31 March 2015 £	31 March 2014 £
Convertible loan note	725,741	1,002,550
Bond instruments	14,219,124	-
Embedded derivative	-	54,609
Loan fees – warrant charge (note 22)	-	(30,799)
Loan fees – transaction costs	(791,625)	-
	<u>14,153,240</u>	<u>1,026,360</u>
 Non-current liabilities	 31 March 2015 £	 31 March 2014 £
Bond instruments	20,225,086	30,828,145
Loan fees – warrant charge (note 22)	-	(116,391)
Loan fees – transaction costs	(2,126,598)	(4,618,758)
	<u>18,098,488</u>	<u>26,092,996</u>

See note 19 in the consolidated financial statements for more information on the bond instruments and convertible loan note.

**Notes to the company financial statements
for the year ended 31 March 2015**

35. Cash and cash equivalents

	31 March 2015 £	31 March 2014 £
Cash at hand and in bank	66,522	11,696,134

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less.

The majority of the cash balances are held at banks with a Standard and Poor's credit rating of at least AA- and registered in the United Kingdom.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

36. Provision

	31 March 2015 £	31 March 2014 £
At 1 April	-	-
Movement in provision	15,660,076	-
At 31 March	15,660,076	-

On 20 May 2015, the Company agreed to guarantee \$23 million Senior Notes on behalf of its subsidiary Afrique Energie Corporation. Management of Gasol plc believe it is probable that Gasol plc will become liable for the entire loan under the guarantee. The bond was due in February 2017 as at 31 March 2015.

37. Financial instrument risk exposure and management

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The material financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Amounts owed by subsidiaries
- Cash at bank
- Trade and other payables
- Borrowings

**Notes to the company financial statements
for the year ended 31 March 2015**

37. Financial instrument risk exposure and management (continued)

Financial instruments by class and by category

	Loans and Receivables	
	31 March 2015	31 March 2014
	£	£
Non-current financial assets		
Other receivables	420,668	1,523,150
Current financial assets		
Trade and other receivables	6,660,254	2,933,687
Cash and cash equivalents	66,522	11,696,134
Total current financial assets	7,147,444	16,152,971

Financial liabilities measured at amortised cost

	31 March 2015	31 March 2014
	£	£
Current financial liabilities		
Accruals	376,382	461,811
Trade and other payables	2,872,757	1,672,629
Borrowings	14,153,240	1,026,360
	17,402,379	3,160,800
Non-current financial liabilities		
Borrowings	18,098,488	26,092,996
Total financial liabilities	35,500,867	29,253,796

Financial liabilities measured at fair value through profit and loss

	31 March 2015	31 March 2014
	£	£
Current financial liabilities		
Embedded derivatives	-	54,609
Non-current financial liabilities		
Embedded derivatives	-	-

Notes to the company financial statements for the year ended 31 March 2015

37. Financial instrument risk exposure and management (continued)

General objectives, policies and processes

The Company's risk management objectives and policies are aligned with those of the Group and are outlined in note 26 to the consolidated financial statements.

Further details regarding the Company's exposure to risks from the use of financial instruments are set out below:

Credit risk

Credit risk arises principally from the Company's cash balances and trade and other receivables. Credit risk is the risk that the counterparty fails to repay its obligation in respect of the amounts owed.

Cash and cash equivalents

The exposure to credit risk arising from cash and cash equivalents is discussed in note 26.

There is no significant difference between the carrying value and fair value of cash and cash equivalents.

Trade and other receivables

At the year end, the credit risk relates to outstanding unimpaired receivable balances. There is an amount owed to the Group from Afgen amounting to £4,884,766 (2014: £1,715,305) as detailed in note 32. This debt is guaranteed by AGDC, a major shareholder of Gasol. Three facilities were advanced to AGDC amounting to £1,582,856 as detailed in note 32. There is an amount included in current other receivables relating to Electrogas Malta Ltd totalling £3,144,770 (2014: £nil) equivalent to €4,300,000 which is held with SOCAR Trading SA which was received after year end.

The Board performs an assessment of credit worthiness and considers the collectability of loans on a regular basis.

Amounts owed by subsidiaries

Gasol lends money to subsidiaries to fund their working capital requirements. These amounts are repayable on demand at the request of Gasol, although due to the long term nature of the projects being funded, it is intended that repayment will not be requested until the subsidiaries generate sufficient revenues.

Liquidity risk

Refer to note 26 and note 1.

Maturity of financial liabilities

At 31 March 2015	Payable within 30 days £	Payable between 30 days and one year £	Payable after one year £
Accruals	376,382	-	-
Trade and other payables	2,872,757	-	-
Borrowings	-	14,153,240	18,098,488
Total financial liabilities	3,249,139	14,153,240	18,098,488

**Notes to the company financial statements
for the year ended 31 March 2015**

37. Financial instrument risk exposure and management (continued)

At 31 March 2014	Payable within 30 days £	Payable between 30 days and one year £	Payable after one year £
Accruals	461,811	-	-
Trade and other payables	1,672,629	-	-
Embedded derivatives	-	54,609	-
Borrowings	-	1,026,360	26,092,996
Total financial liabilities	2,134,440	1,080,969	26,092,996

Market risk

The Groups activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group has interest bearing assets and liabilities being cash and cash equivalents, other receivables and borrowings respectively however no interest is currently received in the cash and cash equivalents and all borrowings are subject to fixed interest rates. The Group therefore does not suffer from any interest rate risk and sensitivity analysis is no considered necessary.

Foreign currency risk

The Company's foreign currency risks and assets and liabilities held in foreign currencies are outlined in the notes to the consolidated financial statements.