

INNOVATIVE GAS PRODUCTS LTD
FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31st JULY 2006



INNOVATIVE GAS PRODUCTS LTD
FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31st JULY 2006

DIRECTORS	Dr J Hacoen Mr C Gale
SECRETARY	Dr J Hacoen
REGISTERED OFFICE	5 Kingfisher Drive Exeter EX4 4SN
BANKERS	National Westminster Bank Plc 59 High Street Exeter EX4 3DL
ACCOUNTANT	Ruth Rockey 126 St Katherines Road Exeter EX4 7JJ
COMPANY NUMBER:	4839708

INNOVATIVE GAS PRODUCTS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31st JULY 2006

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was design and consultancy in the field of gas production

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the company and their interest in the shares of the company at the end of the year were as follows -

	Ordinary shares of £1 each	
	31-Jul-06	31-Jul-05
Dr J Hacoen	85	85
Mr C Gale	15	15

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

ON BEHALF OF THE BOARD

06/07/07

06/07/07



Director

Date

INNOVATIVE GAS PRODUCTS LTD**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31st JULY 2006**

	Note	2006 £	2005 £
TURNOVER	2	335,338	333,870
Cost of Sales		223,858	247,253
GROSS PROFIT		111,480	86,617
Net operating expenses		101,477	78,879
OPERATING PROFIT		10,003	7,738
Other interest receivable and similar income		73	358
Interest payable and similar charges		216	2
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	9,860	8,094
TAXATION		0	0
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		9,860	8,094
DIVIDEND		10,000	10,000
RETAINED PROFIT CARRIED FORWARD		(140)	(1,906)

The attached notes form apart of these financial statements

INNOVATIVE GAS PRODUCTS LTD**BALANCE SHEET****AS AT 31st JULY 2006**

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	4	5,709	758
CURRENT ASSETS			
Stock	5	14,943	29,174
Debtors	6	32,595	16,139
Bank and cash		0	0
		<u>47,538</u>	<u>45,313</u>
CREDITORS			
Amounts falling due within one year	7	<u>50,344</u>	<u>43,027</u>
NET CURRENT LIABILITIES		(2,805)	2,286
NET LIABILITIES		<u>2,904</u>	<u>3,044</u>
REPRESENTED BY			
Share Capital		100	100
Reserves		<u>2,804</u>	<u>2,944</u>
		<u>2,904</u>	<u>3,044</u>

The directors are satisfied that the company was entitled to exemption under subsection 1 of section 249a of the Companies Act 1985 and that members have not required an audit in accordance with subsection 2 of section 249b

The directors acknowledge their responsibilities for

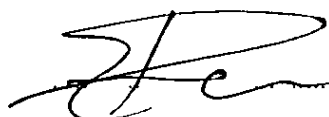
- i ensuring that the company keeps accounting records which comply with section 211, and
- ii preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities

These financial statements were approved by the Board on

6m July 2007

ON BEHALF OF THE BOARD

 Director

06/07/07 Date

The attached notes form part of these financial statements

INNOVATIVE GAS PRODUCTS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st JULY 2006

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below, and have been consistently applied within the accounts

a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention

b) Depreciation

Depreciation has been calculated to write off the cost of tangible assets over their expected useful lives using the following rates -

Computer equipment	25% per annum on cost
Office equipment	25% per annum on cost
Plant and equipment	10% per annum on cost

c) Stocks and work in progress

Stocks have been valued at the lower of cost and net realisable value
Work in progress has been valued on the basis of net realisable value and the percentage completion at the year end

2 TURNOVER

The company's turnover represents the value, excluding value added tax, of goods and services supplied to customers during the year

3 OPERATING PROFIT

Operating profit is stated after charging -

Directors' salaries	£39,515
Depreciation of owned assets	£1,964

4 TANGIBLE FIXED ASSETS

	Total	Computer Equipment	Office Equipment	Plant & Equipment
Cost				
At 1st August 2005	1,070	818	38	214
Additions	6,915	0	6,915	0
At 31st July 2006	7,985	818	6,953	214
Depreciation				
At 1st August 2005	312	250	20	42
Charge for the year	1,964	205	1738	21
At 31st July 2006	2,276	455	1,758	63
Net book value				
At 31st July 2006	5,709	363	5,195	151
At 31st July 2005	758	568	18	172

INNOVATIVE GAS PRODUCTS LTD**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31st JULY 2006****5 STOCKS**

	<u>2006</u>	<u>2005</u>
Stocks	£14,943	£18,129
Work in progress	£0	£11,405
	<u>£14,943</u>	<u>£29,534</u>

6 DEBTORS - ALL RECEIVABLE WITHIN ONE YEAR

	<u>2006</u>	<u>2005</u>
Trade debtors	£30,467	£16,139
Other debtors	£2,128	£0
	<u>£32,595</u>	<u>£16,139</u>

7 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2006</u>	<u>2005</u>
Bank overdraft	26,161	8,805
Trade creditors	12,915	19,193
Other creditors	1,730	5,809
Directors' loan accounts	9,537	9,220
	<u>£50,344</u>	<u>£43,027</u>

8 SHARE CAPITAL

	<u>Authorised £</u>	<u>Allotted, called up and fully paid £</u>
Ordinary shares of £1 each	<u>1,000</u>	<u>100</u>

INNOVATIVE GAS PRODUCTS LTD**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31st JULY 2006**

	2006 £	2005 £
TURNOVER	335,338	333,870
Less COST OF SALES		
Opening Stock	18,129	1,000
Purchases	177,172	223,520
Wages	31,539	30,328
Sub Contract Labour	0	1,416
Packaging	2,181	2,609
Delivery	9,780	6,509
Closing Stock	14,943	18,129
	<u>223,858</u>	<u>247,253</u>
GROSS PROFIT	111,480	86,617
Net operating expenses		
Salaries	65,288	58,854
Property expenses	18,988	13,808
Telephone	1,537	188
Use of home as office	308	318
Computer consumables	0	66
Entertaining	0	166
Motor expenses	3,014	1,648
Postage, printing & stationery	107	230
Repairs & Renewals	0	520
Subsistence	2,192	249
Sundries	2,733	134
Accountancy	1,774	1,695
Professional fees	3,175	0
Bank charges	397	767
Depreciation	1,964	236
	<u>101,477</u>	<u>78,879</u>
OPERATING PROFIT	10,003	7,738
OTHER INTEREST RECEIVABLE AND SIMILAR INCOME		
Bank interest	73	358
INTEREST PAYABLE AND SIMILAR CHARGES		
Bank interest	216	2
Exchange rate losses		0
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>9,860</u>	<u>8,094</u>

**ACCOUNTANT'S REPORT ON THE UNAUDITED ACCOUNTS TO THE DIRECTORS
OF INNOVATIVE GAS PRODUCTS LTD**

As described on the balance sheet you are responsible for the compilation of the accounts for the year ended 31st July 2006 set out on pages 2 to 5 and you consider that the company is exempt from an audit

In accordance with your instructions I have compiled the unaudited accounts from the accounting records and from information and explanations supplied to me

Lynn Rowley

6th July 2007