

Green CO2 plc

Unaudited Interim Results

for the six month period ended 30 September 2009

Chairman's Statement

Financial Summary

Revenue from continuing operations for the period was £346,000 (2008 restated: £nil) and the loss before taxation on continuing operations was £401,000 (2008 restated: £115,000). The loss from discontinued operations was £651,000 (2008 restated: loss £252,000); the overall loss for the period was £1,052,000 (2008 restated: loss £367,000).

Strategic Developments

During the six month period, there were three significant developments:

- The acquisition of Innovative HIP Limited ("HIP") and Commercial Energy Performance Pack Limited ("CEPP") and the simultaneous renaming of the company to Green CO2 plc;
- A series of equity issues including one simultaneous with the acquisition of HIP and CEPP; and
- An agreement to dispose of the Tax and Employment Services division of which Premier Employment Services was the largest company ("PES Group").

HIP and CEPP were acquired on 8 April. HIP's core business is the supply of Home Information Packs to vendors and to professionals within the residential property field and has recently launched Complete Lettings Cover ("CLC"), a product that provides landlords with a range of advantages including advance rent, default cover, insurance and appliance testing.

CEPP is a national business specialising in providing certificates and guidance with regard to Energy Performance Services necessary under the government's Energy Performance of Buildings Directive ("EPBD"). CEPP's main activities are as follows:

- Provision of Commercial Energy Performance Certificates ("CEPCs") throughout the UK. CEPCs are required for all commercial properties being marketed;
- Assistance with and advice for clients obtaining Display Energy Certificates ("DECs") required for all public buildings over 1,000m² in area; and
- Provision of Energy Performance Certificates ("EPCs") for domestic properties that are being rented.

CEPP also provides air-conditioning survey reports and is actively marketing a range of services related to the introduction of the Carbon Reduction Commitment ("CRC") in April 2010.

HIP and CEPP were acquired by means of issuing shares at 1.25p each in Wyatt Group plc, which was renamed on the same day as Green CO2 plc. The total consideration payable in shares was £720,000 of which £445,000 was satisfied on completion by the issue of 35.6m shares, and £275,000 deferred pending another significant share issue.

In addition to shares issued on acquisition of HIP and CEPP, the company issued 112.7 million shares at 1.25p each during the six month period. 67.9 million were placed for cash, the remainder to satisfy certain liabilities, notably deferred consideration in respect of previous acquisitions.

As previously announced, the Board has decided that the Company's strategic direction needs to be re-aligned to markets adjacent to the Energy Services division.

In October, the Board agreed to sell the PES Group to Ian Rummels and a management team. The company has also fully divested itself of other activities related to drug testing and online risk assessments in order to concentrate on the core competence of compliance led activities.

Current Trading and Prospects

HIP and CEPP both made losses in the six month period. This was fully anticipated in the Group's budgeting process as both companies are in new sectors requiring product and customer development. Since 30 September 2009, the level of activity has increased, especially with the welcome addition of Simon West as Sales Director. In 2008, Simon established CEA Link, a market leading one-stop-shop for sustainability and regulatory compliance management for commercial property portfolios and an ideal fit with the company's existing activities.

The PES Group has faced a difficult trading period since the withdrawal of the Holiday Pay Scheme to non construction related entities last year following budget changes and this has resulted, together with the liabilities associated with that business, in a significant strain on the cash flows and working capital of the business. Consequently the Directors considered this a good time to dispose of the PES Group and I wish Ian Rummels every success with this venture.

Looking forward the Board sees significant opportunities within the energy services consultancy arena. In addition, the Board now believes there is an opportunity to establish a compliance services division by acquiring businesses in the fragmented compliance services market, with a focus on commercial markets.

I am pleased to announce that the Board has today agreed a number of proposals to be put to shareholders at a general meeting to be held on 24 December 2009, including a placing to raise approximately £10 million (gross), the appointment of John Prowse (former managing director of Connaught plc's compliance division) to the Board as chief executive officer, the disposal of the PES Group to its management team and a share capital reorganisation. The Company's new strategy will shift the focus of operations towards the "blue collar" compliance markets and a number of target companies in the areas of water hygiene, pest prevention and control and fire safety have been identified. Further details are contained in a separate announcement that has been issued today.

It is expected that a circular to shareholders convening a general meeting will be posted later today.

R Holt

Chairman

8 December 2009

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Zeus Capital Limited

Condensed Consolidated Interim Income Statement for six months ended 30 September 2009

	Note	Unaudited 6 months to 30 September 2009 £000	Unaudited restated 6 months to 30 September 2008 £000	Restated 12 months to 31 March 2009 £000
Continuing operations:				
Revenue	2	346	-	-
Cost of sales		(258)	-	-
Gross profit		88	-	-
Administrative expenses		(452)	(81)	(199)
Operating (loss)	2	(364)	(81)	(199)
Finance costs		(37)	(34)	(64)
(Loss) from continuing operations before taxation		(401)	(115)	(263)
Income tax expense		-	-	-
		(401)	(115)	(263)
Discontinued operations:				
(Loss) for the period from discontinued operations	2	(651)	(252)	(909)
(Loss) for the period		(1,052)	(367)	(1,172)
Basic and diluted (loss) per share on discontinued activities	3	(0.48)	(1.79)	(6.46)
Basic and diluted (loss) per share on continuing activities	3	(0.27)	(0.82)	(1.87)
Basic and diluted (loss) per share on all activities	3	(0.75)	(2.61)	(8.33)

Consolidated Statement of Changes in Shareholders' Equity for six months ended 30 September 2009

Share Capital £000	Share Premium £000	Merger Reserve £000	Retained (Loss) £000	Total Equity £000
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Balance as at 1 April 2008	141	1,902	228	(2,796)	(525)
Loss for the period	-	-	-	(367)	(367)
Balance as at 30 September 2008	141	1,902	228	(3,163)	(892)
Loss for the period	-	-	-	(805)	(805)
Balance as at 31 March 2009	141	1,902	228	(3,968)	(1,697)
Issue of shares	1,483	371	-	-	1,854
Issue costs	-	(217)	-	-	(217)
Loss for the period	-	-	-	(1,052)	(1,052)
Balance as at 30 September 2009	1,624	2,056	228	(5,020)	(1,112)

Condensed Consolidated Interim Balance Sheet
as at 30 September 2009

	Unaudited As at 30 September 2009 £000	Unaudited restated as at 30 September 2008 £000	Restated as at 31 March 2009 £000
	Note		
ASSETS			
Non-current assets			
Intangible assets	1,360	-	-
Property, plant and equipment	18	1	-
	1,378	1	-
Current assets			
Trade and other receivables	208	10	144
Total current assets	208	10	144
Assets held for sale:			
Cash at bank	-	308	281
Other	516	1,162	607
	516	1,470	888
Total assets	2,102	1,481	1,032
LIABILITIES			
Current liabilities			
Trade and other payables	(622)	(58)	(245)
Bank overdraft	(492)	(1,120)	(1,034)
Borrowings	6 (89)	-	-
Total current liabilities	(1,203)	(1,178)	(1,279)
Non-current liabilities			
Deferred consideration	5 (275)	-	-
Borrowings	6 (1,209)	(100)	(130)
Total non-current liabilities	(1,484)	(100)	(130)

Condensed Consolidated Interim Balance Sheet (continued)
as at 30 September 2009

	Unaudited As at 30 September 2009 £000	Unaudited restated as at 30 September 2008 £000	Restated as at 31 March 2009 £000
	Note		
Liabilities directly associated with assets classified as held for sale:			
Bank overdraft		(18)	-
Other		(509)	(1,095)
		(527)	(1,095)
Total liabilities		(3,214)	(2,373)
Net liabilities		(1,112)	(892)
Shareholders' equity			
Called up share capital	7	1,624	141
Share premium account		2,056	1,902
Merger reserve		228	228
Retained (loss)		(5,020)	(3,163)
Attributable to equity holders of the company		(1,112)	(892)

Condensed Consolidated Interim Statement of Cash Flows
for six months ended 30 September 2009

	Unaudited 6 months to 30 September 2009 £000	Unaudited restated 6 months to 30 September 2008 £000	Restated 12 months to 31 March 2009 £000
Cash flows from operating activities			
Continuing operations			
(Loss) for the period	(401)	(115)	(263)
Expenses settled by issue of shares	34	-	-
Depreciation of property, plant and equipment	4	1	1
Amortisation and impairment charges	21	-	-
Finance costs recognised in profit and loss	37	34	64
Decrease/(increase) in trade and other receivables	64	(8)	(143)
(Decrease)/increase in trade and other payables	(374)	-	188
Net cash (used by) continuing operations	(615)	(88)	(153)
Discontinued operations			
(Loss) for the period	(651)	(252)	(909)
Depreciation of property, plant and equipment	17	45	70
Amortisation and impairment charges	50	-	561
Share of JV operating loss	-	1	14
Finance costs recognised in profit and loss	-	6	8
Decrease in trade and other receivables	75	339	598
Decrease in inventories	2	11	10
(Decrease) in trade and other payables	(503)	(20)	(93)
Net cash (used by)/generated from discontinued operations	(1,010)	130	259
Net cash (used by)/generated from operations	(1,625)	42	106

Condensed Consolidated Interim Statement of Cash Flows (continued)
for six months ended 30 September 2009

	Unaudited 6 months to 30 September 2009 £000	Unaudited restated 6 months to 30 September 2008 £000	Restated 12 months to 31 March 2009 £000
Finance costs	(37)	(40)	(72)
Income taxes paid	(1)	-	-
Net cash (used by)/generated from operating activities	(1,663)	2	34

Cash flows from investing activities			
Acquisition of subsidiary	-	(378)	(378)
Net cash acquired with subsidiary	13	257	257
Purchase of property, plant and equipment	(1)	-	(5)
Net cash generated from/(used in) investing activities	12	(121)	(126)
Cash flows from financing activities			
Gross proceeds from issue of ordinary shares	849	-	-
Costs of issue of ordinary shares	(89)	-	-
Proceeds from long term borrowings	1,215	101	133
Repayments of borrowings	(81)	-	-
Net cash generated from financing activities	1,894	101	133
Net increase/(decrease) in cash and cash equivalents	243	(18)	41
Cash and cash equivalents at beginning of the period	(753)	(794)	(794)
Cash and cash equivalents at end of the period	(510)	(812)	(753)
Analysed as:			
Continuing operations	(492)	(1,120)	(1,034)
Discontinued operations	(18)	308	281
	(510)	(812)	(753)

Notes to the Unaudited Consolidated Condensed Interim Statement

for the six months ended 30 September 2009

1 Basis of preparation

The unaudited interim financial information for the six months ended 30 September 2009 has been prepared based on the accounting policies consistent with those used in the financial statements for the year ended 31 March 2009 and those expected to be applied in the financial statements for the year ended 31 March 2010.

The results and cash flows for the six months ended 30 September 2008 and for the year ended 31 March 2009 have been restated to show the impact of discontinued operations.

The interim report for the six months ended 30 September 2009 does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. The results for the year ended 31 March 2009 have been extracted from the financial statements for the year ended 31 March 2009 which have been filed with the Registrar of Companies. The auditors' report contained therein was unqualified and did not contain a statement under section 237 (2) or (3) of the Companies Act 1985.

2 Segmental information

	Unaudited 6 months to 30 September 2009 £000	Unaudited 6 months to 30 September 2008 £000	12 months to 31 March 2009 £000
Continuing operations			
Revenue			
Revenue was derived from the Group's principal activities in the UK as follows:			
Energy services and consultancy	346	-	-
Results			
The loss after taxation was derived from the Group's principal activities in the UK as follows:			
Energy services and consultancy	(262)	-	-
Central	(102)	(81)	(199)
Operating (loss)	(364)	(81)	(199)
Finance costs	(37)	(34)	(64)
(Loss) before taxation	(401)	(115)	(263)
Income tax expense	-	-	-
(Loss) after taxation	(401)	(115)	(263)

2 Segmental information (continued)

	Unaudited 6 months to 30 September 2009 £000	Unaudited 6 months to 30 September 2008 £000	12 months to 31 March 2009 £000
Discontinued operations			
Tax and employment services and consultancy	(650)	(248)	(896)
Risk assessment	-	(4)	(13)
Operating (loss)	(650)	(252)	(909)
Finance costs	(1)	-	-
(Loss) before taxation	(651)	(252)	(909)
Income tax expense	-	-	-
(Loss) after taxation	(651)	(252)	(909)
	Unaudited as at 30 September 2009 £000	Unaudited restated as at 30 September 2008 £000	Restated as at 31 March 2009 £000
Segmental assets:			
Energy services and consultancy	1,526	-	-
Central	60	11	144
Discontinued operations	516	1,470	888
	2,102	1,481	1,032
Segmental liabilities:			
Energy services and consultancy	(502)	-	-
Central	(2,185)	(1,278)	(1,409)
Discontinued operations	(527)	(1,095)	(1,320)
	(3,214)	(2,373)	(2,729)
Segmental net assets:			
Energy services and consultancy	1,024	-	-
Central	(2,125)	(1,267)	(1,265)
Discontinued operations	(11)	375	(432)
	(1,112)	(892)	(1,697)

3 Loss per share

Loss per ordinary share has been calculated on the loss for the period and the weighted average number of ordinary shares in issue during the period, as set out below:

	Unaudited 6 months to 30 September 2009 £000	Unaudited 6 months to 30 September 2008 £000	12 months to 31 March 2009 £000
Weighted average number of shares in issue	139,908,648	14,050,013	14,065,421

4 Discontinued operations

The Company has entered into a disposal agreement with PES (Bristol) Limited (the "Purchaser"), a company whose principal shareholder is Ian Rummels, under which the Purchaser has, conditional upon, inter alia, Shareholders' approval, agreed to acquire the PES Group. The Purchaser will assume all existing and future liabilities of the PES Group. In terms of the disposal agreement, the Company will pay the Purchaser a reverse premium in cash of £60,000 in return for the Purchaser agreeing to assume the net aggregate liability of £175,218 owed by the Company to Keith Boniface as described below. This reverse consideration is subject to an upwards or downwards net asset adjustment at completion once completion accounts have been agreed.

Deferred consideration will subsequently be payable by the Purchaser to the Company in three equal tranches of £25,000 on 31 December 2010, 31 December 2011 and 31 March 2012. The Company has given certain warranties and indemnities (including a tax indemnity) to the Purchaser.

Under the terms of a novation agreement between the Company, the Purchaser and Keith Boniface, who was the original vendor of TEBC Limited (a company within the PES Group), in consideration for entering into such agreement the Company has agreed to pay Keith Boniface £30,000, conditional upon the disposal agreement completing. Under the terms of the novation agreement the Purchaser has agreed to assume the net aggregate liability of £175,218 owed by the Company to Keith Boniface in connection with the original acquisition of TEBC Limited by the Company.

The results for the period attributable to discontinued operations were as follows:

	Unaudited 6 months to 30 September 2009 £000	Unaudited 6 months to 30 September 2008 £000	12 months to 31 March 2009 £000
Revenue	-	1,052	468
Operating (loss)	(639)	(244)	(341)
Finance costs	(1)	(8)	(8)
Amortisation of intangible assets	(11)	-	(11)
Impairment of intangible assets	-	-	(549)
(Loss) for the period	(651)	(252)	(909)

5 Acquisition

The Group acquired the entire issued share capital of Innovative HIP Limited ("IHP") and of Commercial Energy Performance Pack Limited ("CEPP") on 8 April 2009 for a consideration of £720,000 payable by the issue to the vendors of 35,600,000 1p ordinary shares in Green CO2 plc at a fair value of 1.25p per ordinary share and £275,000 of deferred consideration.

The analysis of the net assets acquired at fair value is as follows:

	IHP £000	CEPP Total £000	£000
Tangible assets	22	-	22
Trade and other receivables	91	181	272
Cash at bank	8	5	13
	121	186	307
Trade and other payables	(469)	(359)	(828)
Directors' loans	(125)	-	(125)
Net (liabilities) acquired	(473)	(173)	(646)

The aggregate of total consideration including costs of £735,000 and the net liabilities acquired of £646,000 has been allocated as follows: £126,000 in respect of customer contracts to be amortised over three years, and £1,255,000 in respect of goodwill subject to impairment review.

In the 12 months to 31 March 2009, IHP made a loss after tax of £189,000 on revenue of £700,000.

In the 15 months to 31 March 2009, CEPP made a loss after tax of £173,000 on revenue of £591,000.

6 Borrowings

During the period, the Group negotiated a bank loan with Barclays Bank plc of £560,000 repayable in monthly instalments expiring April 2014.

The analysis of bank and other loans is as follows:

	As at 30 September 2009 £000	As at 30 September 2008 £000	As at 31 March 2009 £000

Bank loan	526	-	-
Unsecured loan	555	-	-
Directors' loans	217	100	130
	1,298	100	130
Payable within one year - bank loan	89	-	-
Payable after more than one year	1,209	100	130
	1,298	100	130

7 Issue of fully paid ordinary shares

112,740,552 1p ordinary shares were issued at a fair value of 1.25p each during the period in addition to those in respect of the acquisition of IHP and CEPP, as follows:

67,920,552 were placed for cash realising £849,000;

18,420,000 were issued to directors of Green CO2 plc in respect of loans outstanding converted to equity, and certain fees and expenses due to them satisfied by the issue of ordinary shares;

18,000,000 in respect of satisfying deferred consideration due to the vendors of Premier Employment Services Limited;

4,000,000 in respect of additional consideration to the vendor of The Health & Safety Department Limited; and

4,400,000 in respect of deferred consideration to the vendor of TEBC Limited.

Associated costs with these transactions brought forward from the previous accounting period of £128,000 and costs incurred in the period of £89,000 have been charged against the share premium account.

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