

Registered Number 04172581

OFFSHORE WAVE ENERGY LIMITED

Abbreviated Accounts

31 March 2016

Abbreviated Balance Sheet as at 31 March 2016**04172581**

| | <i>Notes</i> | <i>2016</i> | <i>2015</i> |
|---|--------------|------------------|------------------|
| | | <i>£</i> | <i>£</i> |
| Current assets | | | |
| Cash at bank and in hand | | 84 | 646 |
| | | <u>84</u> | <u>646</u> |
| Creditors: amounts falling due within one year | | (610,301) | (610,301) |
| Net current assets (liabilities) | | <u>(610,217)</u> | <u>(609,655)</u> |
| Total assets less current liabilities | | (610,217) | (609,655) |
| Total net assets (liabilities) | | <u>(610,217)</u> | <u>(609,655)</u> |
| Capital and reserves | | | |
| Called up share capital | 2 | 220 | 220 |
| Share premium account | | 355,001 | 355,001 |
| Profit and loss account | | (965,438) | (964,876) |
| Shareholders' funds | | <u>(610,217)</u> | <u>(609,655)</u> |

- For the year ending 31 March 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 21 December 2016

And signed on their behalf by:

C GEORGE, Director

Notes to the Abbreviated Accounts for the period ended 31 March 2016**1 Accounting Policies****Basis of measurement and preparation of accounts**

Basis of preparing the financial statements

The financial statements reflect liabilities exceeding assets by £610,217. The Company's activities are funded by a combination of grant funding and support from certain trade suppliers and project partners.

In previous years the former holding company, trade suppliers and project partners confirmed their continued support of the company and the provision of ongoing credit facilities until external investment had been secured. The effect of these arrangements was that the company had been in a position to settle liabilities as they fell due for payment.

At the date of approval of these financial statements external investment has not been secured and in addition to this a significant facility for grant funding has been cancelled. As a result of these facts it is uncertain whether the creditors of the company will continue to provide deferred credit terms. Accordingly it has not been possible for the directors to conclude that the going concern basis is appropriate and indeed that until external investment is secured it is likely that the going concern basis is inappropriate. The financial statements reflect certain adjustments required if the company were to be unable to continue, and such adjustments include the provision against intangible fixed assets. The directors are of the opinion that no significant additional liabilities would be incurred if the company were to cease trading and apply for dissolution.

At the time of approval of these financial statements the only demand for repayment from creditors relates to a short term advance of £650 made by a related party during July 2014 and due for repayment by 31 December 2014.

In view of the uncertainty regarding the future financial position of the company, the directors have agreed that no further liabilities will be incurred until the future funding situation has been clarified and formal payment schedules agreed with creditors.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Patents

The company holds a number of international patents with respect to apparatus for deriving energy from waves. These patents were being amortised over 20 years in line with maximum period allowed under the FRSSE as the directors believed the estimated useful life will be 20 years. The patents have been fully written off during the year.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have

originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax except that deferred assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Grant income

Grant income received is credited to the profit and loss when the company becomes entitled to the funding. Any grant income received in advance for a period beyond the year end would be deferred. However, the company has not received any grant funding which has required to be so deferred at the year end.

2 **Called Up Share Capital**

Allotted, called up and fully paid:

| | <i>2016</i> | <i>2015</i> |
|--------------------------------------|-------------|-------------|
| | <i>£</i> | <i>£</i> |
| 22,044 Ordinary shares of £0.01 each | 220 | 220 |