

THE EUROPEAN MARINE ENERGY CENTRE LTD
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 30 JUNE 2004



SGT	8A46F3F9	1646
COMPANIES HOUSE		09/03/05

SGT	58MZ4290	0555
COMPANIES HOUSE		26/01/05

THE EUROPEAN MARINE ENERGY CENTRE LTD

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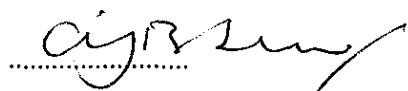
THE EUROPEAN MARINE ENERGY CENTRE LTD

ACCOUNTANT'S REPORT TO THE DIRECTOR ON THE UNAUDITED ACCOUNTS

As described on the balance sheet you are responsible for the preparation of the accounts for the period ended 30 June 2004, set out on pages 2 to 3, and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, I have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to me.

A J B Scholes

Chartered Accountant



37 Albert Street
Kirkwall
Orkney
KW15 1HQ

THE EUROPEAN MARINE ENERGY CENTRE LTD

ABBREVIATED BALANCE SHEET AS AT 30 JUNE 2004

	Notes	2004 £	£
Fixed assets			
Intangible assets		171,832	
Tangible assets		31,844	
			<u>203,676</u>
Current assets			
Debtors		65,172	
Cash at bank and in hand		3,651	
			<u>68,823</u>
Creditors: amounts falling due within one year		<u>(27,093)</u>	
Net current assets			<u>41,730</u>
Total assets less current liabilities			<u>245,406</u>
Accruals and deferred income			<u>(203,676)</u>
			<u>41,730</u>
Capital and reserves			
Other reserves		100,000	
Profit and loss account		(58,270)	
			<u>41,730</u>
Shareholders' funds - equity interests			<u>41,730</u>

THE EUROPEAN MARINE ENERGY CENTRE LTD

ABBREVIATED BALANCE SHEET (CONTINUED) AS AT 30 JUNE 2004

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of 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 which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 18/11/2005.



Director

THE EUROPEAN MARINE ENERGY CENTRE LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 JUNE 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% reducing balance basis
Computer equipment	33% straight line basis

1.5 Leasing

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

1.6 Pensions

1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on any gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

1.8 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

THE EUROPEAN MARINE ENERGY CENTRE LTD

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2004

2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 13 May 2003	-	-	-
Additions	190,924	40,129	231,053
	<u>190,924</u>	<u>40,129</u>	<u>231,053</u>
At 30 June 2004	190,924	40,129	231,053
	<u>190,924</u>	<u>40,129</u>	<u>231,053</u>
Depreciation			
At 13 May 2003	-	-	-
Charge for the period	19,092	8,285	27,377
	<u>19,092</u>	<u>8,285</u>	<u>27,377</u>
At 30 June 2004	19,092	8,285	27,377
	<u>19,092</u>	<u>8,285</u>	<u>27,377</u>
Net book value			
At 30 June 2004	171,832	31,844	203,676
	<u>171,832</u>	<u>31,844</u>	<u>203,676</u>