

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020

FOR

CROSS-FLOW ENERGY COMPANY LIMITED

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FOR THE YEAR ENDED 30 APRIL 2020

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CROSS-FLOW ENERGY COMPANY LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2020

DIRECTORS:

A Fenwick-Wilson
J E Rassmuss
E A S Nicholson
C Branch
Prof M Cross
J R H Hale
J T Barry
T S Chan

REGISTERED OFFICE:

Baglan Bay Innovation Centre
Energy Park
Port Talbot
West Glamorgan
SA12 7AX

REGISTERED NUMBER:

06348926 (England and Wales)

ACCOUNTANTS:

WBV Limited
The Third Floor
Langdon House, Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
CROSS-FLOW ENERGY COMPANY LIMITED

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Cross-Flow Energy Company Limited for the year ended 30 April 2020 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Cross-Flow Energy Company Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Cross-Flow Energy Company Limited and state those matters that we have agreed to state to the Board of Directors of Cross-Flow Energy Company Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cross-Flow Energy Company Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Cross-Flow Energy Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Cross-Flow Energy Company Limited. You consider that Cross-Flow Energy Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Cross-Flow Energy Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

WBV Limited
The Third Floor
Langdon House, Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

19 October 2020

BALANCE SHEET
30 APRIL 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	4		11,556		8,005
CURRENT ASSETS					
Debtors	5	119,728		190,332	
Cash at bank and in hand		<u>361,849</u>		<u>67,817</u>	
		481,577		258,149	
CREDITORS					
Amounts falling due within one year	6	<u>858,958</u>		<u>1,367,391</u>	
NET CURRENT LIABILITIES			<u>(377,381)</u>		<u>(1,109,242)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(365,825)</u>		<u>(1,101,237)</u>
CAPITAL AND RESERVES					
Called up share capital			6,884		536
Share premium			10,745,254		8,845,899
Retained earnings			<u>(11,117,963)</u>		<u>(9,947,672)</u>
SHAREHOLDERS' FUNDS			<u>(365,825)</u>		<u>(1,101,237)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

BALANCE SHEET - continued

30 APRIL 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 19 October 2020 and were signed on its behalf by:

J T Barry - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

1. STATUTORY INFORMATION

Cross-Flow Energy Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2020

2. ACCOUNTING POLICIES - continued

Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 15 (2019 - 13) .

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 May 2019	10,775	23,420	34,195
Additions	-	9,063	9,063
At 30 April 2020	<u>10,775</u>	<u>32,483</u>	<u>43,258</u>
DEPRECIATION			
At 1 May 2019	7,567	18,623	26,190
Charge for year	1,042	4,470	5,512
At 30 April 2020	<u>8,609</u>	<u>23,093</u>	<u>31,702</u>
NET BOOK VALUE			
At 30 April 2020	<u>2,166</u>	<u>9,390</u>	<u>11,556</u>
At 30 April 2019	<u>3,208</u>	<u>4,797</u>	<u>8,005</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	<u>119,728</u>	<u>190,332</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	140,836	70,685
Social security and other taxes	9,816	11,739
Other creditors	61,901	59,004
Convertible loan notes	<u>646,405</u>	<u>1,225,963</u>
	<u>858,958</u>	<u>1,367,391</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2020

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

The entire amount of the £646,405 of Convertible Loan Notes shown above together with capitalised interest accrued in respect of such notes was converted, as per the terms of their issuance, into Ordinary shares in the equity of the company on the 28th July 2020. The conversion took place at a rate of £45 per Ordinary share and the conversion of the Loan Notes plus capitalised interest of £31,520.55 resulted in 15,144 new Ordinary shares being issued, thus reducing the cash obligation within creditors amount falling due within one year by £646,405.

7. OTHER FINANCIAL COMMITMENTS

The total of future minimum lease payments under non-cancellable operating leases as at 30 April 2020 is as follows:

- less than one year £11,363

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.