

Company Registration No. 4333049 (England and Wales)

**DEVELOPMENT HELL LTD**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**



# DEVELOPMENT HELL LTD

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# DEVELOPMENT HELL LTD

## INDEPENDENT AUDITORS' REPORT TO DEVELOPMENT HELL LTD UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Development Hell Ltd for the year ended 31 December 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

### Basis of audit opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

*Stephenson Smart & Co*

Stephenson Smart & Co

Chartered Accountants

Registered Auditor

*11 September 2006*

Stephenson House  
15 Church Walk  
Peterborough  
Cambridgeshire  
PE1 2TP

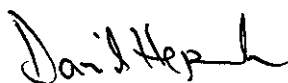
# DEVELOPMENT HELL LTD

## ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2005

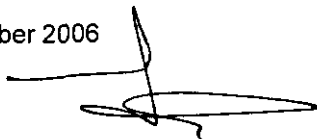
	Notes	2005 £	£	2004 £	£
<b>Fixed assets</b>					
Intangible assets	2	1,351,603		-	
Tangible assets	2	25,643		7,479	
		<u>1,377,246</u>		<u>7,479</u>	
<b>Current assets</b>					
Debtors		413,590		285,343	
Cash at bank and in hand		163,719		253,475	
		<u>577,309</u>		<u>538,818</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(487,734)</u>		<u>(316,067)</u>	
<b>Net current assets</b>		<u>89,575</u>		<u>222,751</u>	
<b>Total assets less current liabilities</b>		<u>1,466,821</u>		<u>230,230</u>	
<b>Capital and reserves</b>					
Called up share capital	3	3,447		2,419	
Share premium account		2,798,536		1,399,631	
Profit and loss account		(1,335,162)		(1,171,820)	
<b>Shareholders' funds</b>		<u>1,466,821</u>		<u>230,230</u>	

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

Approved by the Board for issue on 4 September 2006



D Hepworth  
Director



J W Perkins  
Director

# DEVELOPMENT HELL LTD

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

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

#### 1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### 1.5 Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

#### 1.6 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% per annum of written down value
Computer equipment	Written off over 4 years
Fixtures, fittings & equipment	15% per annum of written down value

#### 1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

# DEVELOPMENT HELL LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

### 2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
<b>Cost</b>			
At 1 January 2005	-	16,850	16,850
Additions	1,351,603	24,281	1,375,884
At 31 December 2005	1,351,603	41,131	1,392,734
<b>Depreciation</b>			
At 1 January 2005	-	9,371	9,371
Charge for the year	-	6,117	6,117
At 31 December 2005	-	15,488	15,488
<b>Net book value</b>			
At 31 December 2005	1,351,603	25,643	1,377,246
At 31 December 2004	-	7,479	7,479

### 3 Share capital

	2005 £	2004 £
<b>Authorised</b>		
34,723 ordinary of 10p each	3,472	2,569
1,248 preference of 10p each	125	-
	3,597	2,569
<b>Allotted, called up and fully paid</b>		
33,220 ordinary of 10p each	3,322	2,419
1,250 preference of 10p each	125	-
	3,447	2,419

On 30 January 2003 the company issued 3 EMI share option agreements for 1200 10 pence ordinary shares which can be exercised upon the earliest of the following events at 10 pence per share:

1. Death in service;
2. Cessation of employment through injury or disability, retirement, transfer or sale of the undertaking or at the directors' discretion;
3. Tenth anniversary of the agreement.

On 28 October 2005 9,029 ordinary shares of £0.10 each and 1,248 preference shares of £0.10 each were issued for a total of £1,399,933.

# **DEVELOPMENT HELL LTD**

## **NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)** ***FOR THE YEAR ENDED 31 DECEMBER 2005***

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### **4 Transactions with directors**

During the year £24,996 was paid to Mrs A Hepworth , the wife of D Hepworth, as a marketing consultant. This amount was invoiced by Mrs Hepworth under normal commercial terms.