

Registration number 04676138

Elektromotive Ltd

Abbreviated accounts

for the period ended 31 March 2012

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Elektromotive Ltd

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**Independent auditors' report to Elektromotive Ltd
under Section 449 of the Companies Act 2006**

We have audited the abbreviated accounts set out on pages 2 to 10, together with the financial statements of Elektromotive Limited for the period ended 31 March 2012 prepared under 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report 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 work, for this report, or for the opinions we have formed

Respective responsibilities of the directors and the auditors

The directors are responsible for preparing abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by 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 section 444(3) of the Companies Act 2006, and the abbreviated accounts have been prepared in accordance with the regulations made under that section

Other information

On 3 September 2013, we reported, as auditors of Elektromotive Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the period ended 31 March 2012, and our report included the following paragraph

Emphasis of Matter - Prior Year Adjustments

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 7 to the financial statements concerning the prior year adjustments made as a result of a number of irregularities found in the financial statements for the year ended 28 February 2011. In view of the significance of these prior year adjustments we consider that it should be drawn to your attention

3 September 2013

Steven Griffen ACA (Senior Statutory Auditor)
For and on behalf of Plummer Parsons
Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Elektromotive Ltd

**Abbreviated balance sheet
as at 31 March 2012**

		31/03/12	Restated 28/02/11
	Notes	£	£
Fixed assets			
Intangible assets	3	436,910	61,464
Tangible assets	3	66,299	34,101
		<u>503,209</u>	<u>95,565</u>
Current assets			
Stocks		335,776	130,413
Debtors		781,159	423,984
Cash at bank and in hand		152,288	249,299
		<u>1,269,223</u>	<u>803,696</u>
Creditors: amounts falling due within one year		<u>(1,135,433)</u>	<u>(462,441)</u>
Net current assets		<u>133,790</u>	<u>341,255</u>
Total assets less current liabilities		636,999	436,820
Creditors: amounts falling due after more than one year	4	(149,537)	(85,186)
Provisions for liabilities		<u>(18,822)</u>	<u>(13,696)</u>
Net assets		<u>468,640</u>	<u>337,938</u>
Capital and reserves			
Called up share capital	5	100	100
Profit and loss account		468,540	337,838
Shareholders' funds		<u>468,640</u>	<u>337,938</u>

The notes on pages 4 to 10 form an integral part of these financial statements.

Elektromotive Ltd

These abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies

The abbreviated accounts were approved by the Board on 21/12/13 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Calvey Taylor-Haw', with a stylized flourish at the end.

Calvey Taylor-Haw
Director

Registration number 04676138

The notes on pages 4 to 10 form an integral part of these financial statements.

Elektromotive Ltd

Notes to the abbreviated financial statements for the period ended 31 March 2012

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2. Turnover and revenue recognition

Turnover represents the total invoice value after discounts and excluding value added tax, of sales made during the year

Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for goods and services supplied. In the case of goods this will normally be on delivery. Revenue with regards to ancillary services is recognised when the services have been performed.

1.3. Patents

Patents are valued at cost less accumulated amortisation.

Amortisation is calculated to write off the cost in equal annual instalments over the life of the patent.

1.4. Research and development

Research and development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use. Development expenditures are not amortised as these assets are not yet available for use but will be amortised over 4 years once the asset is fit for sale.

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Computer Equipment	-	33% straight line
Demo units	-	25% reducing balance

1.6. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

1.7. Stock

Stock and work in progress are valued at the lower of cost and net realisable value.

Elektromotive Ltd

Notes to the abbreviated financial statements for the period ended 31 March 2012

continued

1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

1.9. Deferred taxation

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, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax 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 reversal of 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.

1.10. Group accounts

The company is entitled to the exemption under Section 398 of the Companies Act 2006 from the obligation to prepare group accounts.

1.11. Warranties

Provision is made for the expected cost of warranty obligations under local sale of goods legislation and is recognised at the date of sale of the products. The company has taken the view that any charging post that is still in warranty at the yearend will have an allowance made (within accruals) to allow for a potential warranty call. Due to the unknown circumstances to a warranty call any additional costs will be accounted for at the time of the warranty claim being made.

Elektromotive Ltd

Notes to the abbreviated financial statements for the period ended 31 March 2012

continued

1.12. Going concern

The directors have reviewed the twelve months ahead and have considered the company's financial position. The electric vehicle infrastructure sector is an evolving market with new technology being developed as the market grows and matures.

Due to the continued research and development programme of products and related operating software the company has invested in, it has required assistance from the holding company (Elektromotive Group Ltd) to aid with the company's cashflow.

Once research and development is completed on each product type and the product is fit for sale, the company's cashflow will be significantly improved as orders are awaiting the completion of this research and development.

Whilst the research and development is still in progress, the company needs the continued assistance from Elektromotive Group Ltd otherwise the company would need to raise additional finance in order to maintain its trading position and market lead.

Elektromotive Ltd

Notes to the abbreviated financial statements for the period ended 31 March 2012

continued

2. Prior year adjustments

The company reports the following prior year adjustments -

1 Overstated income of £218,400

Based on the information currently available, sales for the year ended 28 February 2011 were overstated by £218,400, which increased the reported net profit after tax by approximately £174,720

2 Incorrectly accounted for accrued income £29,500

This was due to 5 year maintenance agreements being incorrectly included within current year sales and no allowance was made for accrued income

3 Stock incorrectly overstated £177,940

This was due to stock sold prior to year end but still held in warehouse and subsequently was incorrectly included within year end stock take

The company has taken measures to ensure that stock sold and held for customers is not included within the year end stock take

4 Profits overstated by £425,840

The overall profits for the year ended 28 February 2011 were overstated by £425,840 before taxation. As a result of this the corporation tax liability was also overstated

5 Overstated corporation tax liability £127,170

Also due to enhanced research and development claim the corporation tax liability has been significantly reduced

Elektromotive Ltd

**Notes to the abbreviated financial statements
for the period ended 31 March 2012**

continued

3. Fixed assets	Intangible assets £	Tangible fixed assets £	Investments £	Total £
Cost				
At 1 March 2011	72,763	63,916	-	136,679
Additions	379,993	55,920	49,702	485,615
Disposals	-	(1,250)	-	(1,250)
At 31 March 2012	<u>452,756</u>	<u>118,586</u>	<u>49,702</u>	<u>621,044</u>
Depreciation and Provision for diminution in value				
At 1 March 2011	11,299	29,815	-	41,114
On disposals	-	(103)	-	(103)
Charge for period and movement	4,547	22,575	49,702	76,824
At 31 March 2012	<u>15,846</u>	<u>52,287</u>	<u>49,702</u>	<u>117,835</u>
Net book values				
At 31 March 2012	<u>436,910</u>	<u>66,299</u>	<u>-</u>	<u>503,209</u>
At 28 February 2011	<u>61,464</u>	<u>34,101</u>	<u>-</u>	<u>95,565</u>

Research and development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use. Development expenditures are not amortised as these assets are not yet available for use but will be amortised over 4 years once the asset is fit for sale.

Patent cost directly attributable to the patent are capitalised at cost as intangible assets only when technical feasibility of the project is demonstrated. These intangible assets have finite lives and are amortised over the life of the patent.

Elektromotive Ltd

Notes to the abbreviated financial statements for the period ended 31 March 2012

continued

3.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Elektromotive Singapore PTE Ltd	Singapore	Sale of electric car charging stations	100 ordinary shares	100%
Elektromotive (B) Sdn Bhd	Brunei	Sale of electric car charging stations	99,999 ordinary shares	99.99%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves £	Profit for the year £
Elektromotive Singapore PTE Ltd	(135,977)	(136,027)
Elektromotive (B) Sdn Bhd	42,134	(7,442)

Share capital for Elektromotive Singapore PTE Ltd and Elektromotive (B) Sdn Bhd was paid on behalf of Elektromotive Ltd by Elektromotive Group Ltd

Elektromotive Ltd has had no financial transactions with either Elektromotive Singapore PTE Ltd or Elektromotive (B) Sdn Bhd, all transactions have been with Elektromotive Group Ltd

4. Creditors: amounts falling due after more than one year

Security has been given over creditors of £400,183 (2011: £129,630) in the form of a fixed charge and first floating charge over all assets and undertakings

Elektromotive Ltd

Notes to the abbreviated financial statements for the period ended 31 March 2012

continued

5. Share capital	31/03/12	28/02/11
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Equity Shares		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

6. Transactions with directors

	Amount owing	
	31/03/12	28/02/11
Calvey Taylor-Haw	22,090	22,090
Greg Simmons	15,781	15,557
	<u>15,781</u>	<u>15,557</u>

G Simmons had personal expenses paid for by the company for £224 during the year

7. Ultimate parent undertaking

The ultimate holding company is Elektromotive Group Ltd, incorporated in Singapore