

Vemotion Interactive Ltd

Abbreviated accounts

for the period ended 30 September 2005

Registration number 05147642 (England & Wales)



Vemotion Interactive Ltd

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**Independent auditors' report to Vemotion Interactive Ltd
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 4 together with the financial statements of Vemotion Interactive Ltd for the period ended 30 September 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's shareholders those matters we are required to state to them in an 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 and the company's shareholders as a body, 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 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 accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

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 in respect of the period ended 30 September 2005, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

The Barker Partnership

The Barker Partnership

Chartered Accountants & Registered Auditors
17 Central Buildings
Market Place
Thirsk
North Yorkshire
YO7 1HD

9 February 2006

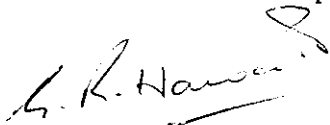
Vemotion Interactive Ltd

**Abbreviated balance sheet
as at 30 September 2005**

	Notes	30/09/05	
		£	£
Fixed assets			
Tangible assets	2		106,924
Current assets			
Debtors		43,787	
Cash at bank and in hand		38,736	
		<u>82,523</u>	
Creditors: amounts falling due within one year		(415,594)	
Net current liabilities			<u>(333,071)</u>
Deficiency of assets			<u>(226,147)</u>
Capital and reserves			
Called up share capital	3		1
Profit and loss account			<u>(226,148)</u>
Shareholders' funds			<u>(226,147)</u>

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

The abbreviated accounts were approved by the Board on 9 February 2006 and signed on its behalf by



Mr G R Haworth
Director

The notes on pages 3 to 4 form an integral part of these financial statements.

Vemotion Interactive Ltd

Notes to the abbreviated financial statements for the period ended 30 September 2005

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 June 2002).

Haworth Enterprise and Leisure Limited, a company owned by Mr G R Haworth, a director of Vemotion Interactive Limited, has undertaken to ensure that the company has sufficient funds to meet its liabilities to its creditors as they become due for at least 13 months from the date of approval of the financial statements. The financial statements have, therefore, been prepared on a going concern basis.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Research and development

Development costs are written off to the profit and loss account in the year in which they occurred.

1.4. Tangible fixed assets and depreciation

The fixed assets acquired at commencement of trade have continued to be depreciated at the rates based on original costs rather than the lower cost of acquisition.

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

Alterations to leasehold properties -	25% straight line
Computer and IT equipment -	25% straight line
Demonstration equipment -	25% straight line
Platform -	33% straight line

1.5. 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.

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.

Vemotion Interactive Ltd

Notes to the abbreviated financial statements for the period ended 30 September 2005

2. Fixed assets	Tangible fixed assets £
Cost	
Additions	118,866
At 30 September 2005	<u>118,866</u>
Depreciation	
Charge for period	11,942
At 30 September 2005	<u>11,942</u>
Net book value	
At 30 September 2005	<u><u>106,924</u></u>
3. Share capital	30/09/05 £
Authorised	
1,000 Ordinary shares of £1 each	<u>1,000</u>
Allotted, called up and fully paid	
1 Ordinary shares of £1 each	<u><u>1</u></u>

One ordinary share of £1 was issued during the period.

4. Transactions with directors

Included in creditors is £100,000 due to Mr G R Haworth, a director of the company.

The loan is interest free and has no fixed repayment terms.