

Vemotion Interactive Limited

Abbreviated accounts

for the year ended 30 September 2008

Registration number 05147642 (England & Wales)



Vemotion Interactive Limited

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Vemotion Interactive Limited

**Accountants' report to the board of directors on the
unaudited abbreviated accounts of Vemotion Interactive Limited**

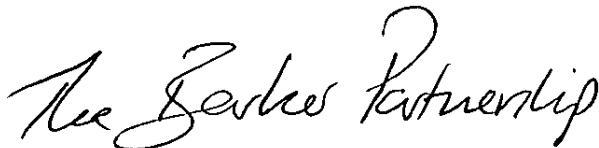
In accordance with the engagement letter dated 11 December 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the abbreviated accounts of the company which comprise the abbreviated balance sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's board of directors in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the abbreviated accounts that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 board of directors for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 30 September 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. 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 abbreviated accounts.



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

4 November 2008

Vemotion Interactive Limited

**Abbreviated balance sheet
as at 30 September 2008**

| | | 2008 | | 2007 | |
|---|--------------|--------------------|--------------------|--------------------|--------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 2 | | 4,229 | | 7,535 |
| Tangible assets | 2 | | 37,485 | | 62,593 |
| | | | <u>41,714</u> | | <u>70,128</u> |
| Current assets | | | | | |
| Stocks | | - | | 2,853 | |
| Debtors | | 203,392 | | 177,359 | |
| Cash at bank and in hand | | 1,146 | | 410 | |
| | | <u>204,538</u> | | <u>180,622</u> | |
| Creditors: amounts falling due within one year | | <u>(1,836,347)</u> | | <u>(1,506,809)</u> | |
| Net current liabilities | | | <u>(1,631,809)</u> | | <u>(1,326,187)</u> |
| Total assets less current liabilities | | | <u>(1,590,095)</u> | | <u>(1,256,059)</u> |
| Deficiency of assets | | | <u>(1,590,095)</u> | | <u>(1,256,059)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 3 | | 1 | | 1 |
| Profit and loss account | | | <u>(1,590,096)</u> | | <u>(1,256,060)</u> |
| Shareholders' funds | | | <u>(1,590,095)</u> | | <u>(1,256,059)</u> |

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

The notes on pages 4 to 6 form an integral part of these financial statements

Vemotion Interactive Limited

Abbreviated balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 30 September 2008**

In approving these abbreviated accounts as directors of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ,

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 September 2008 and

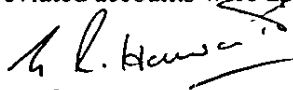
(c) that we acknowledge our responsibilities for

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, 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 abbreviated accounts were approved by the Board on 4 November 2008 and signed on its behalf by



G R Haworth
Director

The notes on pages 4 to 6 form an integral part of these financial statements

Vemotion Interactive Limited

Notes to the abbreviated financial statements for the year ended 30 September 2008

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 January 2007) The adoption of FRSSE 2007 has resulted in no change in accounting policy

1.2. Turnover

Turnover represents the total value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities

1.3. 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 life of 4 years

1.4. 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

| | | |
|-------------------------------------|---|---|
| Alterations to leasehold properties | - | 25% straight line |
| Computer & IT equipment | - | 25% straight line |
| Demonstration equipment | - | 33% straight line |
| Platform | - | 25% straight line, previously 33% straight line |

Following a review by the directors during the year the estimated useful life of the platform has been increased

1.5. Stock

Stock is valued at the lower of cost and net realisable value

Vemotion Interactive Limited

Notes to the abbreviated financial statements for the year ended 30 September 2008

1.6. 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

The company has an undiscounted deferred tax asset balance of £430,000 (2007 - £353,000) This has not been recognised in the financial statements as there is insufficient evidence that the asset will be recoverable

1.7. Going concern

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

2. Fixed assets

| | Intangible assets £ | Tangible fixed assets £ | Total £ |
|--|------------------------------------|--|--------------------|
| Cost | | | |
| At 1 October 2007 | 13,223 | 206,231 | 219,454 |
| Additions | - | 3,918 | 3,918 |
| At 30 September 2008 | <u>13,223</u> | <u>210,149</u> | <u>223,372</u> |
| Depreciation and amortisation | | | |
| At 1 October 2007 | 5,688 | 143,638 | 149,326 |
| Charge for year | 3,306 | 29,026 | 32,332 |
| At 30 September 2008 | <u>8,994</u> | <u>172,664</u> | <u>181,658</u> |
| Net book values | | | |
| At 30 September 2008 | <u>4,229</u> | <u>37,485</u> | <u>41,714</u> |
| At 30 September 2007 | <u>7,535</u> | <u>62,593</u> | <u>70,128</u> |

Vemotion Interactive Limited

**Notes to the abbreviated financial statements
for the year ended 30 September 2008**

| 3. Share capital | 2008 | 2007 |
|---|--------------|--------------|
| | £ | £ |
| Authorised | | |
| 1,000 Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |
| Allotted, called up and fully paid | | |
| 1 Ordinary share of £1 | <u>1</u> | <u>1</u> |
| Equity Shares | | |
| 1 Ordinary share of £1 | <u>1</u> | <u>1</u> |

4. Transactions with directors

Included in creditors is £1,455,000 (2007 - £1,055,000) due to Mr G R Haworth a director of the company The loan is interest free and has no fixed repayment terms