

# **VNC Group Limited**

## **Abbreviated Financial Statements**

31 December 2010

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30/09/2011

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COMPANIES HOUSE

**Directors**

Dr A C Harter  
Professor A Hopper  
T J Richardson

**Secretary**

T McGuire

**Auditors**

Ernst & Young LLP  
Compass House  
80 Newmarket Road  
Cambridge CB58DZ

**Bankers**

Barclays Bank plc  
28 Chesterton Road  
Cambridge CB4 3AZ

**Solicitors**

Taylor Vinters  
Merlin Place  
Milton Road  
Cambridge  
CB4 0DP

**Registered Office**

Betjeman House  
104 Hills Road  
Cambridge CB2 1LQ

## **Independent auditors' report**

**to the members of VNC Group Limited under section 449 of the Companies Act 2006**

We have examined the company's abbreviated accounts which comprise the Abbreviated Balance Sheet and the related notes 1 to 4, together with the financial statements of VNC Group Limited for the year ended 31 December 2010 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with section 449 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 auditor's 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 as a body for our work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

The directors are responsible for preparing the 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.

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

Ernst & Young LLP

Tony McCartney, Senior Statutory Auditor  
For and on behalf of Ernst & Young LLP (Statutory Auditor)  
Cambridge  
30 September 2011

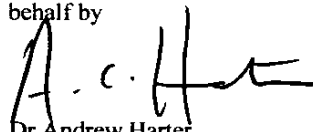
## Abbreviated balance sheet

at 31 December 2010

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Investments	2	5,334	5,334
<b>Current assets</b>			
Debtors		1641	-
Cash in hand		196	196
<b>Total assets less current liabilities</b>		<b>1,837</b>	<b>5,530</b>
<b>Capital and reserves</b>			
Called up share capital	3	5,364	5,343
Share premium	4	1,807	187
<b>Shareholders' funds</b>		<b>7,171</b>	<b>5,530</b>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards for Smaller Entities (Effective April 2008)

The financial statements were approved by the Board of Directors on 30 September 2011 and signed on its behalf by



Dr Andrew Harter  
Director  
30 September 2011

Registered No 05822974

## Notes to the abbreviated financial statements

at 31 December 2010

### 1. Accounting policies

#### *Basis of preparation*

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

#### *Group financial statements*

The financial statements contain information about VNC Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under section 398 of the Companies Act 2006 not to prepare group financial statements

### 2. Investments

*Investments  
other than  
loans  
£*

Cost

At 1 January 2010 and 31 December 2010

5,334

The company's investments at the balance sheet date in the share capital of companies include the following

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
VNC Limited	Ordinary shares	100%	Dormant
RealVNC Limited	Ordinary shares	100%	Software publishing and research

## Notes to the abbreviated financial statements

at 31 December 2010

### 3. Share capital

	2010		2009	
<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>£</i>	<i>No</i>	<i>£</i>
Ordinary shares of 1p each	536,377	<u>5,364</u>	534,300	<u>5,343</u>

The increase in ordinary shares relates to the exercise of share options as disclosed in Note 4

### 4 Share-based payments

Certain employees are offered a grant of options once they have been in service for three months. The EMI approved scheme provides options in VNC Group Limited. The standard terms of the scheme are that options vest over four years, with four sixteenths vesting on the anniversary of the grant date, and one sixteenth vesting each calendar quarter thereafter until all the options have vested. The options are non-transferable, there is no cash alternative and there are no performance conditions.

At the end of the reporting period, there were 28 holders of options on 43,766 shares resulting from grants following HMRC approved valuations in November 2006 and in November 2009.

	<i>Grant Date</i>	<i>Option Exercise Price</i>
Tranche 1	24 November 2006	£0.197
Tranche 2	28 November 2009	£0.79

During the year ended 31 December 2010, 2,077 Tranche 2 options were exercised with a value of £1,641. This increased share capital by £21 and share premium by £1,620.