

Registered number: 06485099

2 DEGREES LIMITED

UNAUDITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010

THURSDAY



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COMPANIES HOUSE

2 DEGREES LIMITED
REGISTERED NUMBER 06485099

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2010

	Note	£	2010	£	£	2009	£
FIXED ASSETS							
Intangible assets	2			70,000		140,000	
Tangible assets	3			15,093		5,306	
				<u>85,093</u>		<u>145,306</u>	
CURRENT ASSETS							
Debtors			239,186		114,978		
Cash at bank and in hand			334,879		619		
			<u>574,065</u>		<u>115,597</u>		
CREDITORS amounts falling due within one year			<u>(230,894)</u>		<u>(601,522)</u>		
NET CURRENT ASSETS/(LIABILITIES)				<u>343,171</u>		<u>(485,925)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>428,264</u>		<u>(340,619)</u>	
CREDITORS amounts falling due after more than one year				<u>(1,018,063)</u>		<u>(515,990)</u>	
NET LIABILITIES				<u>(589,799)</u>		<u>(856,609)</u>	
CAPITAL AND RESERVES							
Called up share capital	4			1,402		1,050	
Share premium account				1,851,214		551,566	
Profit and loss account				<u>(2,442,415)</u>		<u>(1,409,225)</u>	
SHAREHOLDERS' DEFICIT				<u>(589,799)</u>		<u>(856,609)</u>	

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2010 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company

2 DEGREES LIMITED

**ABBREVIATED BALANCE SHEET (continued)
AS AT 31 DECEMBER 2010**

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf by



M N Chilcott
Director

Date 28 Sept 2011

The notes on pages 3 to 5 form part of these financial statements

2 DEGREES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. ACCOUNTING POLICIES

Accounting convention

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

Intangible Assets

Patents and licenses are to be amortised at 25% per annum on a straight line basis in order to write off each asset over its estimated useful life

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Fixtures & fittings	- 25% straight line
Computer equipment	- 25-33% straight line

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2 DEGREES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

2 INTANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2010 and 31 December 2010	280,000
Amortisation	
At 1 January 2010	140,000
Charge for the year	70,000
At 31 December 2010	210,000
Net book value	
At 31 December 2010	70,000
At 31 December 2009	140,000

3 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2010	7,976
Additions	16,387
At 31 December 2010	24,363
Depreciation	
At 1 January 2010	2,670
Charge for the year	6,600
At 31 December 2010	9,270
Net book value	
At 31 December 2010	15,093
At 31 December 2009	5,306

2 DEGREES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

4. SHARE CAPITAL

	2010 £	2009 £
Allotted, called up and fully paid		
1,361,500 (2009 - 1,050,000) Ordinary shares of £0.001 each	1,362	1,050
40,000 Convertible Redeemable Preference shares of £0.001 each	40	-
	<u>1,402</u>	<u>1,050</u>

During the year the following shares were issued

17,500 0.1p Ordinary shares were issued at £2.857 per share

168,000 0.1p Ordinary shares were issued at £2.50 per share

126,000 0.1p Ordinary shares were issued at £5 per share

40,000 0.1p Convertible Redeemable Preference shares were issued for £5 per share

The Preference shares are redeemable, with no time limit or fixed redemption date, by the holder as part of any future fund-raising in excess of £2million