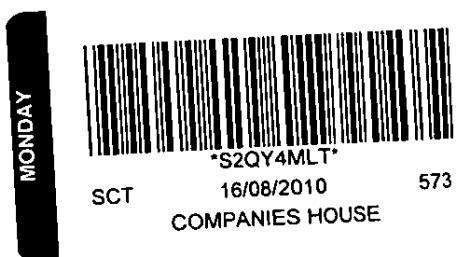


COMPANY REGISTRATION NUMBER 06751125

**RAILSIMULATOR.COM LIMITED**  
**ABBREVIATED ACCOUNTS**  
**31 MARCH 2010**



**RAILSIMULATOR.COM LIMITED**

**CHAIRMAN'S STATEMENT**

**PERIOD FROM 17 NOVEMBER 2008 TO 31 MARCH 2010**

The accounts have been prepared covering the period from incorporation in November 2008 through to March 2010. As you will see from the accounts the company made a loss during this period of £356,404.

This loss includes non cash amortisation of £133,330 which relates to the purchase of the underlying Railworks technology. The company did not release its first product until 5 months into the trading period and hence material revenue was only generated for 9 months of the 14 months the company was actively trading and incurring overhead. The majority of the reported loss relates to this amortisation and the costs incurred in the pre-release period.

The Railworks product has been released in the UK, Germany, Spain and the US and we have an extensive range of downloadable content keeping the product fresh. Management are excited about additional features being added to the product in Summer 2010. The directors expect the company to make a profit for the financial year ended March 2011.



MR C MCMICKING  
CHAIRMAN

Approved by the Chairman on

13<sup>th</sup> August 2010.

**RAILSIMULATOR.COM LIMITED**

**ABBREVIATED ACCOUNTS**

**PERIOD FROM 17 NOVEMBER 2008 TO 31 MARCH 2010**

| <b>CONTENTS</b>                             | <b>PAGE</b> |
|---|-------------|
| Independent auditor's report to the company | <b>1</b>    |
| Abbreviated balance sheet                   | <b>2</b>    |
| Notes to the abbreviated accounts           | <b>3</b>    |

**RAILSIMULATOR.COM LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO RAILSIMULATOR.COM**  
**LIMITED**  
**UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts, together with the financial statements of Railsimulator com Limited for the period from 17 November 2008 to 31 March 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 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

**BASIS OF OPINION**

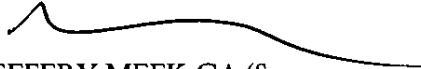
We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts 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

56 Palmerston Place  
Edinburgh  
EH12 5AY

*12th August 2010*

  
JEFFERY MEEK CA (Senior  
Statutory Auditor)  
For and on behalf of  
FRENCH DUNCAN LLP  
Chartered Accountants  
& Statutory Auditor

**RAILSIMULATOR.COM LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**31 MARCH 2010**

|   | Note     | £              | 31 Mar 10<br>£   |
|---|----------|----------------|------------------|
| <b>FIXED ASSETS</b>                                   | <b>2</b> |                |                  |
| Intangible assets                                     |          |                | 266,655          |
| Tangible assets                                       |          |                | <u>3,674</u>     |
|   |          |                | 270,329          |
| <b>CURRENT ASSETS</b>                                 |          |                |                  |
| Debtors   |          | 69,357         |                  |
| Cash at bank and in hand                              |          | <u>33,441</u>  |                  |
|   |          | 102,798        |                  |
| <b>CREDITORS: Amounts falling due within one year</b> |          | <u>153,546</u> |                  |
| <b>NET CURRENT LIABILITIES</b>                        |          |                | (50,748)         |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |          |                | <u>219,581</u>   |
| <b>CAPITAL AND RESERVES</b>                           |          |                |                  |
| Called-up equity share capital                        | <b>3</b> |                | 6,750            |
| Share premium account                                 |          |                | 569,235          |
| Profit and loss account                               |          |                | <u>(356,404)</u> |
| <b>SHAREHOLDERS' FUNDS</b>                            |          |                | <u>219,581</u>   |

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 15 August 2010 and are signed on their behalf by

  
MR C MCMICKING  
DIRECTOR

Company Registration Number 06751125

The notes on pages 3 to 5 form part of these abbreviated accounts

**RAILSIMULATOR.COM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**PERIOD FROM 17 NOVEMBER 2008 TO 31 MARCH 2010**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

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

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the period for units of video games sold, exclusive of Value Added Tax

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Intellectual Property -                      Straight line over 3 years

**Fixed assets**

All fixed assets are initially recorded at cost

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

|                     |   |                            |
|---------------------|---|----------------------------|
| Fixtures & Fittings | - | Straight line over 5 years |
| Equipment           | - | Straight line over 3 years |

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**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 the transaction. Exchange differences are taken into account in arriving at the operating profit

# RAILSIMULATOR.COM LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 17 NOVEMBER 2008 TO 31 MARCH 2010

### 1. ACCOUNTING POLICIES *(continued)*

#### Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

### 2. FIXED ASSETS

|                         | Intangible<br>Assets<br>£ | Tangible<br>Assets<br>£ | Total<br>£     |
|-------------------------|---------------------------|-------------------------|----------------|
| <b>COST</b>             |                           |                         |                |
| Additions               | 399,985                   | 4,387                   | 404,372        |
| <b>At 31 March 2010</b> | <u>399,985</u>            | <u>4,387</u>            | <u>404,372</u> |
| <b>DEPRECIATION</b>     |                           |                         |                |
| Charge for period       | 133,330                   | 713                     | 134,043        |
| <b>At 31 March 2010</b> | <u>133,330</u>            | <u>713</u>              | <u>134,043</u> |
| <b>NET BOOK VALUE</b>   |                           |                         |                |
| <b>At 31 March 2010</b> | <u>266,655</u>            | <u>3,674</u>            | <u>270,329</u> |
| At 16 November 2008     | <u>-</u>                  | <u>-</u>                | <u>-</u>       |

### 3. SHARE CAPITAL

Allotted, called up and fully paid:

|                                       | No             | £            |
|---------------------------------------|----------------|--------------|
| 674,989 Ordinary shares of £0.01 each | <u>674,989</u> | <u>6,750</u> |

**RAILSIMULATOR.COM LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**PERIOD FROM 17 NOVEMBER 2008 TO 31 MARCH 2010**

**3. SHARE CAPITAL** *(continued)*

During the period the company issued 100,004 ordinary £0 01 shares at par and 574,985 ordinary £0 01 shares at £1 per share