

IDEAWORKS 3D LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008



IDEAWORKS 3D LIMITED

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IDEAWORKS 3D LIMITED

INDEPENDENT AUDITORS' REPORT TO IDEAWORKS 3D LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Ideaworks 3D Limited for the year ended 31 December 2008 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 work has been undertaken so that we might state to the company those matters we are required to state to them in an auditors' report on abbreviated accounts 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 auditors

The directors are responsible for preparing the 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Other information

On 1 May 2009 we reported, as auditors of Ideaworks 3D Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 2008, and our report included the following paragraph:

"In forming our opinion, we have considered the adequacy of the disclosure made in the financial statements concerning the dependence of the company on the continued financial support of the company's shareholders and loan creditors. In view of the significance of this uncertainty we consider that it should be brought to your attention but our opinion is not qualified in this respect."



Ivan Sopher & Co

1 May 2009

**Chartered Accountants
Registered Auditor**

5 Elstree Gate
Elstree Way
Borehamwood
Herts
WD6 1JD

IDEAWORKS 3D LIMITED

ABBREVIATED BALANCE SHEET

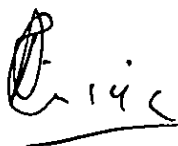
AS AT 31 DECEMBER 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	2	56,957		75,762	
Investments	2	44,626		44,626	
		<u>101,583</u>		<u>120,388</u>	
Current assets					
Stocks		170,195		170,195	
Debtors		879,022		967,606	
Cash at bank and in hand		5,557		172,322	
		<u>1,054,774</u>		<u>1,310,123</u>	
Creditors: amounts falling due within one year		<u>(2,858,458)</u>		<u>(1,332,404)</u>	
Net current liabilities		<u>(1,803,684)</u>		<u>(22,281)</u>	
Total assets less current liabilities		<u>(1,702,101)</u>		<u>98,107</u>	
Creditors: amounts falling due after more than one year	3	<u>(677,830)</u>		<u>(1,845,180)</u>	
		<u>(2,379,931)</u>		<u>(1,747,073)</u>	
Capital and reserves					
Called up share capital	4	5,554		4,287	
Share premium account		6,084,421		4,234,992	
Other reserves		613		613	
Profit and loss account		<u>(8,470,519)</u>		<u>(5,986,965)</u>	
Shareholders' funds		<u>(2,379,931)</u>		<u>(1,747,073)</u>	

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

Approved by the Board for issue on 1 May 2009

A Caccia
Director



IDEAWORKS 3D LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, the validity of which is dependent on the continued support of the shareholders and loan creditors of the company. In the absence of this support the going concern basis may be invalid and adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that may arise and to reclassify fixed assets and long-term liabilities as current assets and liabilities. The directors are of the opinion that sufficient support will continue to be made available and it is therefore appropriate for the financial statements to be prepared on the going concern basis.

1.2 Turnover

Turnover represents royalties receivable and amounts receivable for services net of VAT. Revenue is recognised as contract activity progresses to reflect milestones achieved during the year. Amounts received in advance are carried forward until recognised as turnover.

1.3 Domain name

Intangible assets are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over its estimated useful life of 3 years.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	Straight line over 3 years
Fixtures, fittings & equipment	25% Reducing balance
Website design	50% Straight line

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

IDEAWORKS 3D LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
At 1 January 2008	32,135	273,242	44,626	350,003
Additions	-	21,413	-	21,413
At 31 December 2008	32,135	294,655	44,626	371,416
Depreciation				
At 1 January 2008	32,135	197,480	-	229,615
Charge for the year	-	40,218	-	40,218
At 31 December 2008	32,135	237,698	-	269,833
Net book value				
At 31 December 2008	-	56,957	44,626	101,583
At 31 December 2007	-	75,762	44,626	120,388

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Ideaworks3D Inc.	USA	Ordinary	100.00
Ideaworks3D Japan	Japan	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves £	Profit/(loss) for the year £
Ideaworks3D Inc.	Commercial & technical support	(148,370)	(93,925)
Ideaworks3D Japan	Commercial & technical support	(33,841)	(77,941)

The information presented for Ideaworks3D Inc is for the year ended 31 December 2008. The most recent financial information available for Ideaworks3D Japan is for the comparative period ended 31 December 2007.

3 Creditors: amounts falling due after more than one year

The aggregate amount of creditors for which security has been given amounted to £22,500 (2007 - £52,500).

IDEAWORKS 3D LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

4	Share capital	2008	2007
		£	£
	Authorised		
	150,000 "A" Ordinary shares of 1p each	1,500	1,500
	650,000 "B" Ordinary shares of 1p each	6,500	6,500
	200,000 "D" Ordinary shares of 1p each	2,000	2,000
		<u>10,000</u>	<u>10,000</u>
	Allotted, called up and fully paid		
	50,300 "A" Ordinary shares of 1p each	503	503
	455,100 "B" Ordinary shares of 1p each	4,551	3,284
	50,000 "D" Ordinary shares of 1p each	500	500
		<u>5,554</u>	<u>4,287</u>

On 5 March 2008, 60,000 'B' ordinary shares of £0.01 each were allotted and fully paid at £15 per share.

On 10 July 2008, a further 66,660 'B' ordinary shares of £0.01p each were allotted and fully paid at £15 per share.