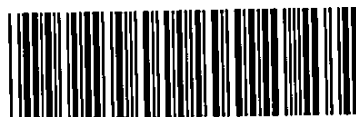


Company Registration No 4325194 (England and Wales)

**3Q TECHNOLOGIES LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

FRIDAY



\*APK4N4FT\*

A59

31/10/2008

271

COMPANIES HOUSE

---

## 3Q TECHNOLOGIES LIMITED

### COMPANY INFORMATION

---

**Directors**

C Lane  
K Duncan

**Secretary**

C R Delacombe

**Company number**

4325194

**Registered office**

443 Stroude Road  
Virginia Water  
Surrey  
GU25 4BU

**Business address**

100 Gallena Parkway  
Suite 1070  
Atlanta  
United States  
GA 30339

---

# 3Q TECHNOLOGIES LIMITED

## CONTENTS

---

	Page
Directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4 - 8

# 3Q TECHNOLOGIES LIMITED

## DIRECTORS' REPORT

*FOR THE YEAR ENDED 31 DECEMBER 2007*

The directors present their report and financial statements for the year ended 31 December 2007

### Principal activities

The principal activity of the company continued to be that of the development and assembly of imaging hardware and software appliances and ancillary equipment

### Directors

The following directors have held office since 1 January 2007

C Lane

K Duncan

### Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



C Lane

Director

29 October 2008

## 3Q TECHNOLOGIES LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

		Year ended 31 December 2007 £	Year ended 31 December 2006 £
	Notes		
Turnover		311,513	231,668
Cost of sales		(126,320)	(82,616)
<b>Gross profit</b>		<b>185,193</b>	<b>149,052</b>
Administrative expenses		(80,342)	(320,140)
<b>Operating profit/(loss)</b>		<b>104,851</b>	<b>(171,088)</b>
Other interest receivable and similar income	2	333	270
Interest payable and similar charges		-	(129)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>105,184</b>	<b>(170,947)</b>
Tax on profit/(loss) on ordinary activities	3	-	-
<b>Profit/(loss) for the year</b>	<b>9</b>	<b>105,184</b>	<b>(170,947)</b>

# 3Q TECHNOLOGIES LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007 £	£	2006 £	£
<b>Fixed assets</b>					
Investments	5		50		50
<b>Current assets</b>					
Debtors	6	52,409		-	
Cash at bank and in hand		37,178		11,461	
		<u>89,587</u>		<u>11,461</u>	
<b>Creditors amounts falling due within one year</b>	7	<u>(770,755)</u>		<u>(797,810)</u>	
<b>Net current liabilities</b>			<u>(681,168)</u>		<u>(786,349)</u>
<b>Total assets less current liabilities</b>			<u>(681,118)</u>		<u>(786,299)</u>
<b>Capital and reserves</b>					
Called up share capital	8	96,429		96,429	
Profit and loss account	9	(777,547)		(882,728)	
<b>Shareholders' funds</b>			<u>(681,118)</u>		<u>(786,299)</u>

In preparing these financial statements

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985,
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts 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 financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Approved by the Board for issue on 29 October 2008

  
C. Lane  
Director

# 3Q TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

### 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)

#### Going Concern

The accounts have been prepared on the going concern basis as the Directors are confident that the company and its subsidiaries will be able to meet all debts as they fall due for at least the next 12 months. The substantial research and development investment by the company and its subsidiaries is resulting in very encouraging growth in the level of profitable sales, which the Directors believe will continue into the future.

The Directors hope to secure further investment in the company to allow further development of its product lines, but is not reliant on such investment for its continued survival.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 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
---------------------	----------------------------

#### 1.5 Investments

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

#### 1.6 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.

### 2 Investment income

	2007 £	2006 £
Bank interest	333	270
	<u>333</u>	<u>270</u>

### 3 Taxation

The company has estimated losses of £ 765,552 (2006 - £ 865,878) available for carry forward against future trading profits.

## 3Q TECHNOLOGIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

#### 4 Tangible fixed assets

Plant and  
machinery etc

£

**Cost**

At 1 January 2007 & at 31 December 2007

41,479

**Depreciation**

At 1 January 2007 & at 31 December 2007

41,479

**Net book value**

At 31 December 2007

-

At 31 December 2006

-

# 3Q TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

### 5 Fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 1 January 2007 & at 31 December 2007	50
<b>Net book value</b>	
At 31 December 2007	50
At 31 December 2006	50

#### 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	Class	Shares held %
<b>Subsidiary undertakings</b>			
3DMD Ltd	England & Wales	Ordinary	100 00
3Q Inc	US	Ordinary	100 00
3DMD LLC	US	Ordinary	100 00
3DMD Vultus	US	Ordinary	79 00

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

	Capital and reserves 2007 £	Profit/(loss) for the year 2007 £
<b>Principal activity</b>		
3DMD Ltd	22,673	100
3Q Inc	(17,162)	1,006
3DMD LLC	276,218	370,521
3DMD Vultus	(50,987)	(37,653)

The principal activities of the above companies continued to be that of development and assembly of imaging hardware and software appliances and ancillary equipment

# 3Q TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

6	Debtors	2007 £	2006 £
	Amounts owed by group undertakings and undertakings in which the company has a participating interest	52,409	-

7	Creditors amounts falling due within one year	2007 £	2006 £
	Trade creditors	29,310	47,280
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	341,314	233,961
	Taxation and social security	2,557	7,750
	Other creditors	397,574	508,819
		770,755	797,810

Although repayable on demand, loans from directors of £388,474 are not expected to be repaid until there is improvement in the company's liquidity

8	Share capital	2007 £	2006 £
	<b>Authorised</b>		
	10,000,000 Ordinary of 10p each	1,000,000	1,000,000
	<b>Allotted, called up and fully paid</b>		
	964,290 Ordinary of 10p each	96,429	96,429

9	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 January 2007	(882,731)
	Profit for the period	105,184
	Balance at 31 December 2007	(777,547)

# 3Q TECHNOLOGIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

### 10 Financial commitments

At 31 December 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2008

	2007	2006
	£	£
Operating leases which expire Between two and five years	-	10,080

### 11 Control

The controlling party is Mr C Lane, a director

### 12 Related party transactions

During the year the company recharged expenses of £313,047 (2006 £206,668) and received loans of £244,427 (2006 Nil) from 3DMD Ltd, a subsidiary company. The balance at the end of the year was £52,409 owed from 3DMD Ltd (2006 £14,037 owed to)

The company also made sales of £35,681 and was provided with loans of £157,070 from 3DMD LLC, a related company. The balance at the end of the year was £341,314 (2006 £219,925) owed to 3DMD LLC

Included in other creditors is an amount owing to Mr C Lane a director of the company of £388,474 (2006 £505,044)