REGISTERED NUMBER. 06332328 (England and Wales)

Abbreviated Accounts for the year ended 31 July 2011

for

Emdot Limited

Emdot Limited (Registered number: 06332328)

Contents of the Abbreviated Accounts
for the year ended 31 July 2011

Emdot Limited

Company Information
for the year ended 31 July 2011

DIRECTORS.	M R Shepherd Professor J P W Stark A C Daykin IP2IPO Services Limited
SECRETARY:	IP2IPO Services Limited
REGISTERED OFFICE:	24 Cornhill London EC3V 3ND
REGISTERED NUMBER:	06332328 (England and Wales)
ACCOUNTANTS·	Atraxa Consulting Limited Brooke's Mill Armitage Bridge Huddersfield West Yorkshire HD4 7NR

Emdot Limited (Registered number: 06332328)

Abbreviated Balance Sheet
31 July 2011

	Notes	2011 £	2011 £	2010 £	2010 £
FIXED ASSETS					
Tangible assets	2		25,489		37,432
CURRENT ASSETS					
Debtors		4,805		19,923	
Cash at bank		86,716		161,479	
		91,521		181,402	
CREDITORS					
Amounts falling due within one year		682,980		454,468	
NET CURRENT LIABILITIES			(591,459)		(273,066)
TOTAL ASSETS LESS CURRENT LIABILITIES			(565,970)		(235,634)
CAPITAL AND RESERVES					
Called up share capital	3		2		2
Share premium			500,105		500,106
Profit and loss account			(1,066,077)		(735,742)
SHAREHOLDERS' FUNDS			(565,970)		(235,634)

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2011

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2011 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for
(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 16/8/11 and were signed on its behalf by

MARK REILLY FOR AND ON BEHALF OF IP2IPO SERVICES LIMITED

IP2IPO Services Limited - Director

The notes form part of these abbreviated accounts

Emdot Limited (Registered number: 06332328)

Notes to the Abbreviated Accounts
for the year ended 31 July 2011

1 **ACCOUNTING POLICIES**

Basis of preparing the financial statements
The accounts have been prepared on a going concern basis which assumes that the company will have sufficient resources available to enable it to continue to trade for the foreseeable future

At 31 July 2011 the company had net liabilities of £565,970 and made a loss for the year of £330,335 The company has entered into convertible loan agreements totalling £638,827 including accrued interest which has provided development funding The loan agreements specify a number of events which can require repayment of the loans or conversion of the loans into equity At the date of approval of these financial statements, no events have arisen which require the loans to be repaid or converted

The directors have prepared cash flow forecasts for the next 12 months These forecasts contain assumptions regarding the expectations for securing new commercial agreements and the level of working capital required during this period Subsequent to the year end, the company has agreed further funding from shareholders in the form of new shareholder loans to finance the company's development plans

The directors are confident that, with the new shareholder funding in place, the cash flow requirements of the company can be managed in such a way as to ensure that there are sufficient financial resources available until further revenue streams are generated or additional funding for the company is secured The principal risk within the cash flow forecasts relates to the timing and magnitude of commercial revenue streams which are difficult to predict Whilst the unpredictability of revenues represents a material uncertainty which may cast significant doubt over the company's ability to continue as a going concern, the directors believe that the company can continue to manage its cash resources through careful cost control to reduce this risk

Consequently the directors consider that it remains appropriate to prepare the financial statements on a going concern basis The financial statements do not contain adjustments which may be required should the shareholder loans become repayable within the next 12 months or if forecast revenues cannot be achieved

Accounting convention
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)

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery etc - 33% on cost and 20% on cost

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date Deferred tax is measured on a non-discounted basis Deferred tax assets are recognised only to the extent that it is expected that they will be able to be utilised against future profits

Research and development
Research expenditure undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in the profit and loss account as an expense as incurred

Expenditure on development activities, whereby research findings are applied for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the company has sufficient resources to complete development Amortisation is charged to the profit and loss account on a straight line basis over the useful economic life of the activity

 continued

Emdot Limited (Registered number: 06332328)

Notes to the Abbreviated Accounts - continued
for the year ended 31 July 2011

2 TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 August 2010	56,509
Additions	235
At 31 July 2011	56,744
DEPRECIATION	
At 1 August 2010	19,078
Charge for year	12,177
At 31 July 2011	31,255
NET BOOK VALUE	
At 31 July 2011	25,489
At 31 July 2010	37,431

3 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number	Class	Nominal value	2011 £	2010 £
1,728	Ordinary 0 1p	0 1p	2	2

4 RELATED PARTY DISCLOSURES

During the year the company entered into the following transactions with related parties

Name of related party	**Relationship to the company**	**Nature of transaction**	**Amounts due from/(to) related party 2011 £**	**Amounts due from/(to) related party 2010 £**
M Paine	Shareholder	Consultancy fees of £nil (2010 £16,495)	0	0
M Alexander	Shareholder	Consultancy fees of £21,250 (2010 £nil)	0	0
IP2IPO Limited	Shareholder	Travel and office running costs of £632 (2010 £363)		0
Techtran Group Limited	Connected to IP2IPO Limited	Business support fees and office running costs of £5,214 (2010 £6,117)	(601)	(1,193)
Queen Mary and Westfield College	Shareholder	Patent costs of £23,731 (2010 £42,558)	(8,971)	0

The above transactions took place on an arm's length market value basis