

**COMPANIES HOUSE
EDINBURGH**

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Company Registration No. SC538826 (Scotland)

VR-CHITECT LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
28 FEBRUARY 2018**

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COMPANIES HOUSE

VR-CHITECT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	2		51,038		69,580
Tangible assets	3		1,854		2,371
			<u>52,892</u>		<u>71,951</u>
Current assets					
Debtors	4	41,308		47,266	
Creditors: amounts falling due within one year	5	<u>(208,783)</u>		<u>(196,698)</u>	
Net current liabilities			<u>(167,475)</u>		<u>(149,432)</u>
Total assets less current liabilities			<u>(114,583)</u>		<u>(77,481)</u>
Capital and reserves					
Called up share capital	6		1		1
Profit and loss reserves			<u>(114,584)</u>		<u>(77,482)</u>
Total equity			<u>(114,583)</u>		<u>(77,481)</u>

The director of the company has elected not to include a copy of the income statement within the financial statements.

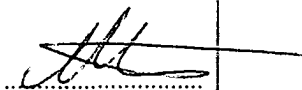
For the financial year ended 28 February 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 29/11/18 and are signed on its behalf by:



Mr L P Benzies
Director

VR-CHITECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

1 Accounting policies

Company information

VR-Chitect Limited is a private company limited by shares and is registered and incorporated in Scotland. The registered office is 29 Constitution Street, Edinburgh, Scotland, EH6 7BS.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The company has net current liabilities of £167,475 at the balance sheet date. The principal investor has confirmed that he will support the company for a minimum period of 12 months from the signing of these financial statements. The director therefore believes that it is appropriate for the financial statements to be prepared on a going concern basis.

Research and development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated. Where this cannot be demonstrated the development expenditure is written off against profits in the year in which it is incurred.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	Straight line over 3 years
Patents and licences	Straight line over 10 years

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

VR-CHITECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	Straight line over 5 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

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 company after deducting all of its liabilities.

VR-CHITECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

VR-CHITECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

2 Intangible fixed assets

	Other £
Cost	
At 1 March 2017	96,751
Additions	10,484
	<u>107,235</u>
At 28 February 2018	<u>107,235</u>
Amortisation and impairment	
At 1 March 2017	27,171
Amortisation charged for the year	29,026
	<u>56,197</u>
At 28 February 2018	<u>56,197</u>
Carrying amount	
At 28 February 2018	51,038
	<u>69,580</u>
At 28 February 2017	<u>69,580</u>

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 March 2017 and 28 February 2018	2,586
	<u>2,586</u>
Depreciation and impairment	
At 1 March 2017	215
Depreciation charged in the year	517
	<u>732</u>
At 28 February 2018	<u>732</u>
Carrying amount	
At 28 February 2018	1,854
	<u>2,371</u>
At 28 February 2017	<u>2,371</u>

4 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	41,308	47,266
	<u>41,308</u>	<u>47,266</u>

VR-CHITECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	8	8
Amounts due to group undertakings	203,271	192,470
Other creditors	5,504	4,220
	<u>208,783</u>	<u>196,698</u>

6 Called up share capital

	2018	2017
	£	£
Ordinary share capital Issued and fully paid		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>