

RUNTIME REVOLUTION LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2002



RUNTIME REVOLUTION LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Intangible assets	2		1,218		1,377
Tangible assets	2		10,130		10,312
			<u>11,348</u>		<u>11,689</u>
Current assets					
Debtors		23,020		14,120	
Cash at bank and in hand		4,505		6,194	
		<u>27,525</u>		<u>20,314</u>	
Creditors: amounts falling due within one year		<u>(168,663)</u>		<u>(73,382)</u>	
Net current liabilities			<u>(141,138)</u>		<u>(53,068)</u>
Total assets less current liabilities			<u>(129,790)</u>		<u>(41,379)</u>
Creditors: amounts falling due after more than one year			<u>(137,768)</u>		<u>(70,250)</u>
			<u>(267,558)</u>		<u>(111,629)</u>
Capital and reserves					
Called up share capital	3		1,776		1,482
Share premium account			74,157		-
Profit and loss account			<u>(343,491)</u>		<u>(113,111)</u>
Shareholders' funds			<u>(267,558)</u>		<u>(111,629)</u>

RUNTIME REVOLUTION LIMITED

ABBREVIATED BALANCE SHEET (CONTINUED) AS AT 31 OCTOBER 2002

In preparing these abbreviated accounts:

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

The financial statements were approved by the Board on 27 February 2004



I P Harris
Director

RUNTIME REVOLUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2002

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 June 2002).

1.2 Going concern

At 31 October 2002 the company had net liabilities of £267,558 (2001 : £111,629). The company is reliant on the continued support of the directors and their related family members. They have confirmed their intention to continue to support the company. On this basis and with intellectual property rights available on certain software products the directors consider the accounts should be prepared on a going concern basis.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.4 Turnover

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

1.5 Trademarks

Trademarks are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

The estimated useful life is ten years.

RUNTIME REVOLUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2002

1 Accounting policies

(continued)

1.6 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	33% Straight line
Fixtures, fittings & equipment	40% Reducing balance

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Stock

Work in progress is valued at the lower of cost and net realisable value.

1.9 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. 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.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no asset would have been recognised as the conditions for recognition would not have been satisfied.

1.10 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.

1.11 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

RUNTIME REVOLUTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2002

2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 November 2001	1,589	16,237	17,826
Additions	-	8,534	8,534
Disposals	-	(2,243)	(2,243)
At 31 October 2002	1,589	22,528	24,117
Depreciation			
At 1 November 2001	212	5,925	6,137
On disposals	-	(988)	(988)
Charge for the year	159	7,461	7,620
At 31 October 2002	371	12,398	12,769
Net book value			
At 31 October 2002	1,218	10,130	11,348
At 31 October 2001	1,377	10,312	11,689

3 Share capital

	2002 £	2001 £
Authorised		
100,000 Ordinary Shares of 10p each	10,000	10,000
Allotted, called up and fully paid		
17,760 Ordinary Shares of 10p each	1,776	1,482