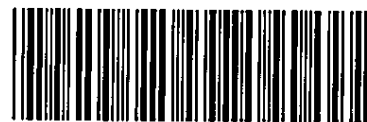


REGISTERED NUMBER: 2897870 (England and Wales)

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008
FOR
BLUECOM GROUP LIMITED

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BLUECOM GROUP LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2008

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BLUECOM GROUP LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2008

DIRECTORS:

W S Fattal
E S Fattal

SECRETARY:

E S Fattal

REGISTERED OFFICE:

Hill House
1 Little New Street
London
EC3A 4TR

REGISTERED NUMBER:

2897870 (England and Wales)

AUDITORS:

Wilding, Hudson & Co.
Chartered Accountants and
Registered Auditors
Saxon House
17 Lewis Road
Sutton
Surrey
SM1 4BR

BLUECOM GROUP LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 DECEMBER 2008**

The directors present their report with the financial statements of the company for the year ended 31 December 2008.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the development and sale of communication equipment.

The company is well placed to take advantage of any further improvements in business activity.

REVIEW OF BUSINESS

The directors do not recommend the payment of a dividend for the current period.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2008 to the date of this report.

W S Fattal

E S Fattal

STATEMENT OF 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 these 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Wilding, Hudson & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

BLUECOM GROUP LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2008

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:



.....
W S Fattal - Director

Date: 28 October 2009

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
BLUECOM GROUP LIMITED

We have audited the financial statements of Bluecom Group Limited for the year ended 31 December 2008 on pages six to eleven. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. The financial statements have been prepared on a going concern basis, the validity of which is dependent on the continuing financial support of the parent company. Our opinion is not qualified in this respect.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available to Small Entities, in the circumstances set out in note thirteen to the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
BLUECOM GROUP LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

Wilding, Hudson & Co.

Wilding, Hudson & Co.
Chartered Accountants and
Registered Auditors
Saxon House
17 Lewis Road
Sutton
Surrey
SM1 4BR

Date: *28 October* 2009

BLUECOM GROUP LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
TURNOVER		98,292	171,473
Cost of sales		<u>115,783</u>	<u>103,373</u>
GROSS (LOSS)/PROFIT		(17,491)	68,100
Administrative expenses		<u>576,341</u>	<u>593,750</u>
OPERATING LOSS	3	(593,832)	(525,650)
Interest receivable and similar income		<u>124</u>	<u>497</u>
		(593,708)	(525,153)
Interest payable and similar charges		<u>26</u>	<u>7</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(593,734)	(525,160)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(593,734)</u>	<u>(525,160)</u>

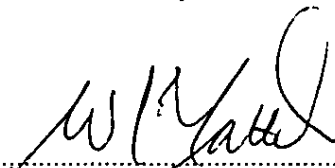
The notes form part of these financial statements

BLUECOM GROUP LIMITED**BALANCE SHEET**
31 DECEMBER 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Tangible assets	5	177,725	129,942
CURRENT ASSETS			
Stocks	6	65,957	100,054
Debtors	7	51,522	39,327
Cash at bank		3,074	21,882
		<u>120,553</u>	<u>161,263</u>
CREDITORS			
Amounts falling due within one year	8	<u>3,750,291</u>	<u>3,149,484</u>
NET CURRENT LIABILITIES		<u>(3,629,738)</u>	<u>(2,988,221)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(3,452,013)</u>	<u>(2,858,279)</u>
CREDITORS			
Amounts falling due after more than one year	9	<u>600,000</u>	<u>600,000</u>
NET LIABILITIES		<u><u>(4,052,013)</u></u>	<u><u>(3,458,279)</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	6,580	6,580
Profit and loss account	11	<u>(4,058,593)</u>	<u>(3,464,859)</u>
SHAREHOLDERS' FUNDS		<u><u>(4,052,013)</u></u>	<u><u>(3,458,279)</u></u>

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).

The financial statements were approved by the Board of Directors on 28 October 2009 and were signed on its behalf by:



 W S Fattal - Director

The notes form part of these financial statements

BLUECOM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2008**

1. ACCOUNTING POLICIES

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 January 2007).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

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	- 33.33% on cost and 20% on cost
-------------------------	-------------------------------------

Stock and work-in progress

Stock and work in progress which consists of communication components and related components is valued at the lower of cost and net realisable value.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. STAFF COSTS

	2008	2007
	£	£
Wages and salaries	178,541	214,863
Social security costs	19,932	24,205
Other pension costs	2,398	1,815
	<u>200,871</u>	<u>240,883</u>

The average monthly number of employees during the year was as follows:

	2008	2007
Office and administration	3	2
Programming and production	1	2
Sales	2	2
	<u>6</u>	<u>6</u>

BLUECOM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2008

3. OPERATING LOSS

The operating loss is stated after charging:

	2008	2007
	£	£
Depreciation - owned assets	88,042	81,583
Auditors' remuneration	2,500	2,500
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	-	-
	<u> </u>	<u> </u>

4. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2008 nor for the year ended 31 December 2007.

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2008	306,617
Additions	135,825
	<u> </u>
At 31 December 2008	442,442
	<u> </u>
DEPRECIATION	
At 1 January 2008	176,675
Charge for year	88,042
	<u> </u>
At 31 December 2008	264,717
	<u> </u>
NET BOOK VALUE	
At 31 December 2008	177,725
	<u> </u>
At 31 December 2007	129,942
	<u> </u>

6. STOCKS

	2008	2007
	£	£
Raw materials and consumables	15,578	29,574
Work-in-progress	5,693	8,292
Finished goods	44,686	62,188
	<u> </u>	<u> </u>
	65,957	100,054
	<u> </u>	<u> </u>

BLUECOM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2008

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Trade debtors	11,250	17,806
Amounts owed by group undertakings	9,233	-
Other debtors	31,039	21,521
	<u>51,522</u>	<u>39,327</u>

The amounts owed by group undertakings relate to Romex World Limited, which became a fellow subsidiary on 5 August 2008.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Trade creditors	40,452	17,872
Amounts owed to group undertakings	3,676,609	3,098,118
Taxation and social security	6,537	6,457
Other creditors	26,693	27,037
	<u>3,750,291</u>	<u>3,149,484</u>

The amounts owed to group undertakings relate to Citylink Group Limited.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008	2007
	£	£
Amounts owed to group undertakings	<u>600,000</u>	<u>600,000</u>

The amounts owed to group undertakings relate to Citylink Group Limited.

10. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2008	2007
			£	£
10,000	Ordinary	1	<u>10,000</u>	<u>10,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2008	2007
			£	£
6,580	Ordinary	1	<u>6,580</u>	<u>6,580</u>

BLUECOM GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2008

11. RESERVES

	Profit and loss account £
At 1 January 2008	(3,464,859)
Deficit for the year	(593,734)
	<hr/>
At 31 December 2008	(4,058,593)
	<hr/>

12. RELATED PARTY DISCLOSURES

The company has been funded by Citylink Group Limited. No interest has been charged in the accounts.

13. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of similar size and nature the auditors prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

In common with many other businesses of similar size and nature the auditors are used to provide tax advice and to represent the company, as necessary, at tax tribunals.

14. PARENT COMPANY AND ULTIMATE CONTROLLER

The company's parent company is Citylink Group Limited. Control of Citylink Group Limited rested with the trustees of the Walbrook Trusts.