

REGISTERED NUMBER

5453768

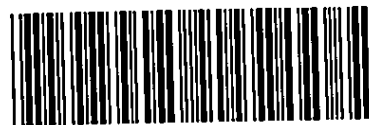
England & Wales

LEE SMITH COMMUNICATIONS (UK) LIMITED

ANNUAL REPORT AND UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2009

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LEE SMITH COMMUNICATIONS (UK) LIMITED

INDEX TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2009

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LEE SMITH COMMUNICATIONS (UK) LIMITED  
COMPANY INFORMATION

DIRECTORS

L. M. Smith

S. N. Hoodless

SECRETARY

C. L. Smith

REGISTERED OFFICE

43 Kingsley Avenue  
Melton Park  
Newcastle upon Tyne  
NE3 5QN

REGISTERED NUMBER

5453768 England and Wales

REPORTING ACCOUNTANTS

Clements & Co.  
Chartered Accountants  
2 Eslington Terrace  
NEWCASTLE UPON TYNE  
NE2 4RJ

LEE SMITH COMMUNICATIONS (UK) LIMITED

DIRECTORS' REPORT

The Directors present their annual report with the accounts of the company for the year ended 31 May 2009.

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of telecommunication services.

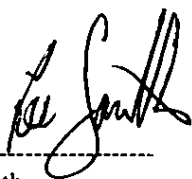
DIRECTORS

The Directors in office in the year and their beneficial interest in the Company's issued Ordinary Share Capital were as follows:

	<u>31.05.09</u>	<u>31.05.08</u>
L. M. Smith	1	1
S. N. Hoodless	-	-

The above report has been prepared in accordance with the small companies regime of the Companies Act 2006.

Signed on behalf of the board of directors.



L. M. Smith  
DIRECTOR

APPROVED BY THE BOARD: 14 July, 2009

LEE SMITH COMMUNICATIONS (UK) LIMITED  
REPORT OF THE ACCOUNTANTS TO THE SHAREHOLDERS  
ON THE UNAUDITED ACCOUNTS OF  
LEE SMITH COMMUNICATIONS (UK) LIMITED

We report on the accounts for the year ended 31 May 2009 set on pages 4 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 5 the Company's Directors are responsible for the preparation of the accounts, and they consider that the Company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the Company, and making such limited enquiries of the officers of the Company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion

- the financial statement 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 May 2009 and of its profit for the year then ended.
- the financial statements have been properly prepared in accordance with the Companies Act 2006.
- the information given in the Directors' report is consistent with financial statements.



Clements & Co.  
Reporting Accountants

2 Eslington Terrace  
NEWCASTLE UPON TYNE  
NE2 4RJ

14 July, 2009

LEE SMITH COMMUNICATIONS (UK) LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2009

	<u>Note</u>	<u>2009</u> £	<u>2008</u> £
TURNOVER	1	111,409	63,890
Cost of Sales		<u>(2,111)</u>	<u>(1,305)</u>
GROSS PROFIT		109,298	62,585
Administrative Expenses		<u>(51,299)</u>	<u>(41,851)</u>
OPERATING PROFIT (LOSS)	2	57,999	20,734
Interest Receivable and Similar Charges		-	-
Interest Payable and Similar Charges		<u>-</u>	<u>-</u>
PROFIT (LOSS) on Ordinary Activities before Taxation		57,999	20,734
TAXATION		<u>(12,190)</u>	<u>(4,233)</u>
PROFIT (LOSS) on Ordinary Activities after Taxation		45,809	16,501
RETAINED PROFIT (LOSS) at 1 June 2008		<u>(4,086)</u>	<u>1,413</u>
		41,723	17,914
DIVIDENDS paid or proposed	3	<u>(42,750)</u>	<u>(22,000)</u>
RETAINED PROFIT (LOSS) at 31 May 2009		<u><u>(1,027)</u></u>	<u><u>(4,086)</u></u>

TOTAL RECOGNISED GAINS AND LOSSES

The Company has made no recognised gains or losses other than the profit or loss for the above financial periods.

CONTINUING OPERATIONS

Turnover and operating profit derive wholly from continuing operations.

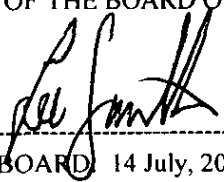
LEE SMITH COMMUNICATIONS (UK) LIMITED

BALANCE SHEET AT 31 MAY 2009

	<u>Note</u>	<u>2009</u> £	<u>2008</u> £
<b>FIXED ASSETS</b>			
Tangible Assets	4	403	537
<b>CURRENT ASSETS</b>			
Debtors	5	4,275	4,212
Bank Balance		<u>9,566</u>	<u>-</u>
		<u>13,841</u>	<u>4,212</u>
CREDITORS: Amounts falling due within One Year	6	<u>15,270</u>	<u>8,834</u>
NET CURRENT ASSETS (LIABILITIES)		<u>(1,429)</u>	<u>(4,622)</u>
NET ASSETS		<u>(1,026)</u>	<u>(4,085)</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Called up Share Capital	7	1	1
Profit & Loss Account		<u>(1,027)</u>	<u>(4,086)</u>
EQUITY SHAREHOLDERS' FUNDS	8	<u>(1,026)</u>	<u>(4,085)</u>

For the year ending 31 May 2009 the company was entitled to exemption under section 480 of the Companies Act 2006. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for: i) ensuring the company keeps accounting records which comply with Section 386; 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 and loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS



----- L M SMITH - DIRECTOR

APPROVED BY THE BOARD 14 July, 2009

**LEE SMITH COMMUNICATIONS (UK) LIMITED**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MAY 2009**

**1. ACCOUNTING POLICIES**

**1.1 ACCOUNTING CONVENTION**

The accounts are prepared under the historical cost accounting rules and in accordance with The Financial Reporting Standard for Smaller Entities (effective April 2008)(FRSSE).

**1.2 TURNOVER**

Turnover represents amounts derived from the provision of goods and services provided less Value Added Tax.

**1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost or valuation less accumulated depreciation. Depreciation is provided on all tangible assets at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life as follows:

**1.4 STOCK AND WORK IN PROGRESS**

Stock of raw materials are valued at the lower of cost or net realisable value plus the attributable manufacturing overheads only.

**1.5 DEFERRED TAXATION**

Provision is made at the current rates for taxation deferred in respect of all material timing differences except to the extent that in the opinion of the Directors there is a reasonable probability that the liability will not arise in the foreseeable future.

**1.6 CASH FLOW STATEMENT**

The Company has taken advantage of the exception in the Financial Reporting Standard Nr 1 from producing a cash flow statement on the grounds that it is a small company.

**1.7 DEPRECIATION**

Depreciation is provided at rates calculated to write off the cost or value less estimated residual value of all fixed assets except leasehold property, over their expected useful lives as follows:

Equipment	25% reducing balance
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**2. OPERATING PROFIT (LOSS)**

	<u>2009</u>	<u>2008</u>
	£	£
Operating Profit (Loss) is stated after charging:		
Depreciation of Tangible Fixed Assets	134	180
	=====	=====
<b>DIRECTORS' REMUNERATION:</b>		
For services as Directors	19,750	13,300
Other Emoluments	-	-
	=====	=====
	19,750	13,300
	=====	=====

**3. DIVIDENDS**

	<u>2009</u>	<u>2008</u>
	£	£
Paid on ordinary shares: £42,750 per share	42,750	22,000
(2008: £22,000 per share)	=====	=====

LEE SMITH COMMUNICATIONS (UK) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2009

4 TANGIBLE FIXED ASSETS

	<u>Equipment</u>
Cost	£
At 1 June 2008	877
Additions	-
Disposals	-
At 31 May 2009	<u>877</u>
Depreciation	
At 1 June 2008	340
Charge for the year	134
Disposals	-
At 1 June 2009	<u>474</u>
Net Book Value at 31 May 2009	<u>403</u>
Net Book Value at 31 May 2008	<u>537</u>

5 DEBTORS

	<u>2009</u>	<u>2008</u>
	£	£
Trade Debtors	<u>4,275</u>	<u>4,212</u>

6 CREDITORS: Amounts falling due within one year

	<u>2009</u>	<u>2008</u>
	£	£
Bank Overdraft	-	1,082
Other Creditors	12,574	5,211
Accrued Charges	<u>2,696</u>	<u>2,541</u>
	<u>15,270</u>	<u>8,834</u>

7 CALLED UP SHARE CAPITAL

	<u>2009</u>	<u>2008</u>
	£	£
Authorised 1000 Ordinary Shares of £1 Each	<u>1,000</u>	<u>1,000</u>
Allotted, Called up and Full Paid 1 Ordinary Shares of £1 Each	<u>1</u>	<u>1</u>

LEE SMITH COMMUNICATIONS (UK) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2009

7 RECONCILIATION OF MOVEMENTS OF EQUITY SHAREHOLDERS' FUNDS	<u>2009</u> £	<u>2008</u> £
PROFIT (LOSS) for the Financial Year after taxation	45,809	16,501
Dividends	<u>(42,750)</u> 3,059	<u>(22,000)</u> (5,499)
OPENING SHAREHOLDERS' FUNDS at 1 June 2008	<u>(4,085)</u>	<u>1,414</u>
CLOSING SHAREHOLDERS' FUNDS at 31 May 2009	<u><u>(1,026)</u></u>	<u><u>(4,085)</u></u>

8 CONTROLLING PARTY

In the opinion of the director, the ultimate controlling party of the company is Mr L Smith, by virtue of his 100% shareholding.

LEE SMITH COMMUNICATIONS (UK) LIMITED  
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2009

	<u>2009</u>	<u>2008</u>
	£	£
SALES	111,409	63,890
Cost of Sales	(2,111)	(1,305)
	<hr/>	<hr/>
GROSS PROFIT	109,298	62,585
Interest Receivable	-	-
Administrative Costs	(51,299)	(41,851)
Interest Payable	<hr/>	<hr/>
	<hr/>	<hr/>
PROFIT (LOSS) On Ordinary Activities before Taxation	<u>57,999</u>	<u>20,734</u>

LEE SMITH COMMUNICATIONS (UK) LIMITED

NOTES TO THE TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2009

ADMINISTRATIVE EXPENSES	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
Directors' Remuneration	19,750	13,300
Employers NIC	2,064	829
Accountancy	978	958
Telephone	425	385
Motor & Travel	26,229	25,461
Use of Home as Office	650	600
Sundry Expenses	1,069	138
Depreciation	134	180
	<u>51,299</u>	<u>41,851</u>