

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2004

FOR

LCC COMMUNICATIONS LIMITED



LCC COMMUNICATIONS LIMITED

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FOR THE YEAR ENDED 28 FEBRUARY 2004**

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LCC COMMUNICATIONS LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 28 FEBRUARY 2004

DIRECTORS:

MA Begg
S R Irwin

SECRETARY:

M A Begg

REGISTERED OFFICE:

10a High Street
Stokesley
Middlesbrough
TS9 5DQ

REGISTERED NUMBER:

03321821

AUDITORS:

Baines Jewitt
Registered Auditors
Barrington House
41 - 45 Yarm Lane
Stockton on Tees
Cleveland
TS18 3EA

BANKERS:

Barclays Bank Plc
49 High Street
Stockton on Tees

SOLICITORS:

Merritt and Company
Manor House
High Street
Yarm

**REPORT OF THE INDEPENDENT AUDITORS TO
LCC COMMUNICATIONS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages three to five, together with the full financial statements of the company for the year ended 28 February 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

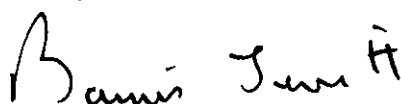
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to five are properly prepared in accordance with those provisions.

Other information

On 15 November 2004 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 28 February 2004 prepared under Section 226 of the Companies Act 1985, and our report included the following paragraph:

"Fundamental uncertainty

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 of the Financial Statements concerning the uncertainty as to the continuation of finance from the directors. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect."



Baines Jewitt
Registered Auditors
Barrington House
41 - 45 Yarm Lane
Stockton on Tees
Cleveland
TS18 3EA

15 November 2004

LCC COMMUNICATIONS LIMITED

ABBREVIATED BALANCE SHEET 28 FEBRUARY 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	2	10,431	25,370
CURRENT ASSETS			
Debtors		161,855	104,151
Cash at bank and in hand		61,783	16,818
		<u>223,638</u>	<u>120,969</u>
CREDITORS			
Amounts falling due within one year		<u>269,041</u>	<u>227,261</u>
NET CURRENT LIABILITIES		<u>(45,403)</u>	<u>(106,292)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(34,972)</u>	<u>(80,922)</u>
CREDITORS			
Amounts falling due after more than one year		<u>150,000</u>	<u>150,000</u>
		<u>(184,972)</u>	<u>(230,922)</u>
CAPITAL AND RESERVES			
Called up share capital	3	50,000	50,000
Profit and loss account		<u>(234,972)</u>	<u>(280,922)</u>
SHAREHOLDERS' FUNDS		<u>(184,972)</u>	<u>(230,922)</u>

These abbreviated accounts have 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:

.....
MA Begg - Director

.....
S R Irwin - Director

Approved by the Board on 12/11/04

The notes form part of these abbreviated accounts

LCC COMMUNICATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 2004

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The going concern basis is dependant on continued financial support from the directors.

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 June 2002).

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.

Improvements to property	- 10% on cost
Telecommunications equipment	- 33% on cost
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 50% 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 March 2003	78,832
Additions	1,110
Disposals	(45,404)
At 28 February 2004	34,538
DEPRECIATION	
At 1 March 2003	53,462
Charge for year	16,049
Eliminated on disposal	(45,404)
At 28 February 2004	24,107
NET BOOK VALUE	
At 28 February 2004	10,431
At 28 February 2003	25,370

LCC COMMUNICATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 28 FEBRUARY 2004

3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004 £	2003 £
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

4. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the year ended 28 February 2004:

	£
MA Begg	
Balance outstanding at start of year	(183,161)
Balance outstanding at end of year	(259,301)
Maximum balance outstanding during year	<u>259,301</u>
 S R Irwin	
Balance outstanding at start of year	(12,050)
Balance outstanding at end of year	-
Maximum balance outstanding during year	<u>(12,050)</u>