

ON AIR TELECOM LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MAY 2010



MOORE STEPHENS (NORTH WEST) LLP

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ON AIR TELECOM LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MAY 2010

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ON AIR TELECOM LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTOR OF ON AIR TELECOM LIMITED

YEAR ENDED 31 MAY 2010

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Director, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Director that we have done so, and state those matters that we have agreed to state to him in this 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 and the Company's Director, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 May 2010 your duty to ensure that the company has kept adequate accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Moore Stephens (North West) LLP

MOORE STEPHENS (NORTH WEST) LLP
Chartered Accountants

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26 May 2011

ON AIR TELECOM LIMITED
ABBREVIATED BALANCE SHEET
31 MAY 2010

	Note	2010 £	2009 £
FIXED ASSETS	2		
Tangible assets		14,278	64,574
Investments		19,711	243,178
		33,989	307,752
CURRENT ASSETS			
Stocks		191,004	247,519
Debtors		1,388,708	695,710
Cash at bank and in hand		6,524	990,011
		1,586,236	1,933,240
CREDITORS: Amounts falling due within one year		892,432	1,223,436
NET CURRENT ASSETS		693,804	709,804
TOTAL ASSETS LESS CURRENT LIABILITIES		727,793	1,017,556
CREDITORS: Amounts falling due after more than one year		462,693	491,688
		265,100	525,868
CAPITAL AND RESERVES			
Called-up equity share capital	4	31,250	7,813
Other reserves		18,750	18,750
Profit and loss account		215,100	499,305
SHAREHOLDERS' FUNDS		265,100	525,868

The Balance sheet continues on the following page.
The notes on pages 4 to 6 form part of these abbreviated accounts

ON AIR TELECOM LIMITED
ABBREVIATED BALANCE SHEET *(continued)*

31 MAY 2010

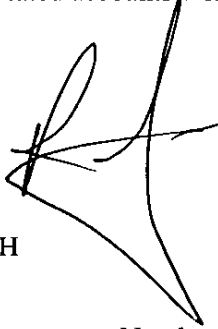
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The director acknowledges his responsibility for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements 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 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved and signed by the director and authorised for issue on 26/05/2011



MR R SINGH
Director

Company Registration Number 03774398

The notes on pages 4 to 6 form part of these abbreviated accounts

ON AIR TELECOM LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MAY 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Consolidation

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, after making due allowance for adjustments in respect of long-term contracts (stated below)

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Motor Vehicles	- 25% on written down value
Equipment	- 20% on written down value

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Financial instruments

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 entity after deducting all of its financial liabilities

ON AIR TELECOM LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MAY 2010

1. ACCOUNTING POLICIES *(continued)*

Long term contracts

These are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as activity progresses. Where appropriate, attributable profits and anticipated losses are recognised. The amount by which the turnover exceeds payments on account is shown separately within debtors in the balance sheet. Where payments on account exceed turnover the excess is shown separately within creditors in the balance sheet.

Costs incurred in relation to long term contracts are charged to the profit and loss account over the life of the contract. At the balance sheet date, therefore, costs relating to future periods are deferred and are shown separately in the balance sheet.

2. FIXED ASSETS

	Tangible Assets £	Investments £	Total £
COST			
At 1 June 2009	285,591	850,000	1,135,591
Additions	11,672	–	11,672
Disposals	(150,581)	–	(150,581)
At 31 May 2010	<u>146,682</u>	<u>850,000</u>	<u>996,682</u>
DEPRECIATION AND AMOUNTS WRITTEN OFF			
At 1 June 2009	221,017	606,822	827,839
Charge for year	30,564	223,467	254,031
On disposals	(119,177)	–	(119,177)
At 31 May 2010	<u>132,404</u>	<u>830,289</u>	<u>962,693</u>
NET BOOK VALUE			
At 31 May 2010	<u>14,278</u>	<u>19,711</u>	<u>33,989</u>
At 31 May 2009	<u>64,574</u>	<u>243,178</u>	<u>307,752</u>

The company holds 100% of the issued share capital of RS Cellular Limited, a company incorporated in England and Wales.

The aggregate capital and reserves of RS Cellular Limited as at 31 May 2010 was £19,711 (2009 - £243,178). The retained profit for the year to 31 May 2010 was £3,528 (2009 - £1,720).

ON AIR TELECOM LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MAY 2010

3. TRANSACTIONS WITH THE DIRECTOR

Transactions with directors

At 1 June 2009, Mr R Singh owed the company £237,657 in respect of an overdrawn director's current account. This was the maximum amount outstanding during the year, and was repaid during the year.

The loan was unsecured and interest free and was unlawful under the Companies Act 2006.

4. SHARE CAPITAL

Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
1 Ordinary shares of £1 each	1	1	1	1
31,249 Ordinary shares of £1 each	31,249	31,249	31,249	7,812
	<u>31,250</u>	<u>31,250</u>	<u>31,250</u>	<u>7,813</u>

5. PARENT UNDERTAKING AND CONTROLLING PARTY

From 6th August 2009 the company's direct and ultimate parent company was Seven Group Limited, a company incorporated in England and Wales.

The ultimate controlling party for the whole year was Mr R Singh.