

Abbreviated Unaudited Accounts for the Year Ended 31 December 2006

for

Smartcomm Limited

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for the Year Ended 31 December 2006**

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Smartcomm Limited

Company Information
for the Year Ended 31 December 2006

DIRECTORS

S Worrell
A Stearn

SECRETARY

M Calder

REGISTERED OFFICE

4 Claridge Court
Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

REGISTERED NUMBER

3800523

ACCOUNTANTS

Rickaby & Co
Chartered Certified Accountants
4 Claridge Court
Lower Kings Road
Berkhamsted
Hertfordshire
HP4 2AF

Smartcomm Limited**Abbreviated Balance Sheet**
31 December 2006

	Notes	31 12 06 £	£	31 12 05 £	£
FIXED ASSETS					
Tangible assets	2		20,810		21,643
CURRENT ASSETS					
Stocks		149,905		190,353	
Debtors		728,933		371,148	
Cash in hand		192		13	
		<u>879,030</u>		<u>561,514</u>	
CREDITORS					
Amounts falling due within one year		<u>953,890</u>		<u>612,996</u>	
NET CURRENT LIABILITIES			<u>(74,860)</u>		<u>(51,482)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(54,050)</u>		<u>(29,839)</u>
CREDITORS					
Amounts falling due after more than one year			<u>102,047</u>		<u>135,696</u>
NET LIABILITIES			<u>(156,097)</u>		<u>(165,535)</u>
CAPITAL AND RESERVES					
Called up share capital	3		1,000		1,000
Share premium			149,000		149,000
Profit and loss account			<u>(306,097)</u>		<u>(315,535)</u>
SHAREHOLDERS' FUNDS			<u>(156,097)</u>		<u>(165,535)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2006

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2006 in accordance with Section 249B(2) of the Companies Act 1985

The directors acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, 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 of Directors on 2 May 2007 and were signed on its behalf by



S Worrell - Director

**Notes to the Abbreviated Accounts
for the Year Ended 31 December 2006**

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 2005)

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 or, if held under a finance lease, over the lease term, whichever is the shorter

Improvements to leasehold	- 50% on cost
Plant and machinery	- 50% on cost
Fixtures and fittings	- 50% on cost
Motor vehicles	- 33% on cost

Stocks

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

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

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2 TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 January 2006	164,717
Additions	21,714
Disposals	(4,725)
At 31 December 2006	181,706
DEPRECIATION	
At 1 January 2006	143,075
Charge for year	21,551
Eliminated on disposal	(3,730)
At 31 December 2006	160,896
NET BOOK VALUE	
At 31 December 2006	20,810
At 31 December 2005	21,642

3 CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid				
Number	Class	Nominal value	31 12 06 £	31 12 05 £
1,000	Ordinary	£1	1,000	1,000

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2006

4 RELATED PARTY DISCLOSURES

The director, S Worrell is a director of Hotav Limited. During the year Smartcomm Limited supplied goods and services to the value of £40,260 (2005 - £44,228) to Hotav Limited. Hotav Limited supplied goods and services to the value of £6,463 (2005 - £150) to Smartcomm Limited. At the year end, the balance outstanding between the two companies included in trade debtors was £5,373 (2005 - £5,606).

S Worrell has loaned the company £15,750 upon which interest payable is 12%. The full amount of the loan and interest for the year were outstanding at the year end. S Worrell has provided the company's bankers with a letter of guarantee for £33,750.

Mrs P F Worrell, a shareholder of the company, has provided the company's bankers with a letter of guarantee for £25,000. Mrs P F Worrell has loaned the company £35,300 upon which interest payable is 12%. The full amount of the loan and interest for the year were outstanding at the year end.

Britania Limited has loaned the company £36,950 upon which interest is payable of 12%. Britania Limited is controlled by R J Kendrick, who is a shareholder. The full amount of the loan and interest for the year were outstanding at the year end. Britania Limited supplied goods and services to the value of £27,821 (2005 - £5,950) to Smartcomm Limited. At the year end, the company owed Britania Limited £4,348 (2005 - £1,116). Britania Limited has provided the company's bankers with a letter of guarantee for £51,250.

A Stearn has loaned the company £3,500 upon which interest payable is 12%. At the year end, the company owed A Stearn £3,502. The full amount of the loan and interest for the year were outstanding at the year end. A Stearn has provided the company's bankers with a letter of guarantee for £7,500.

M Allen, a shareholder of the company, has loaned the company £3,500 upon which interest payable is 12%. At the year end, the company owed M Allen £3,528. The full amount of the loan and interest for the year were outstanding at the year end. M Allen has provided the company's bankers with a letter of guarantee for £7,500.

5 ULTIMATE CONTROLLING PARTY

The company is controlled by the directors as shown in the Directors' report.