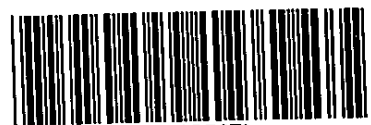


**Report of the Directors and
Unaudited Financial Statements
for the Year Ended 31 December 2009
for
Leadpoint (UK) Limited**

THURSDAY



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COMPANIES HOUSE

Leadpoint (UK) Limited

**Contents of the Financial Statements
for the Year Ended 31 December 2009**

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Statement of Total Recognised Gains and Losses	4
Balance Sheet	5
Notes to the Financial Statements	7
Trading and Profit and Loss Account	10

Leadpoint (UK) Limited

**Company Information
for the Year Ended 31 December 2009**

DIRECTORS

M Diana
P Pettersen

SECRETARY

P Pettersen

REGISTERED OFFICE.

3 Nellington Road
Tunbridge Wells
Kent
TN4 8SH

REGISTERED NUMBER

05499846 (England and Wales)

ACCOUNTANTS

The Sinden Thackeray Partnership
23 Star Hill
Rochester
Kent
ME1 1XF

Leadpoint (UK) Limited

**Report of the Directors
for the Year Ended 31 December 2009**

The directors present their report with the financial statements of the company for the year ended 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a leads exchange marketplace

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2009 to the date of this report

M Diana
P Pettersen

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'M Diana', followed by a horizontal line.

Director

Date

2/11/10

Leadpoint (UK) Limited**Profit and Loss Account
for the Year Ended 31 December 2009**

		31 12 09	31 12 08 as restated
	Notes	£	£
TURNOVER		5,571,254	4,198,309
Cost of sales		<u>4,680,801</u>	<u>3,415,241</u>
GROSS PROFIT		890,453	783,068
Administrative expenses		<u>784,800</u>	<u>652,376</u>
OPERATING PROFIT	2	105,653	130,692
Interest receivable and similar income		<u>197</u>	<u>8</u>
		105,850	130,700
Interest payable and similar charges		<u>-</u>	<u>84</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		105,850	130,616
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>105,850</u>	<u>130,616</u>

The notes form part of these financial statements

Leadpoint (UK) Limited

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2009**

	31 12 09	31 12 08 as restated
	£	£
PROFIT FOR THE FINANCIAL YEAR	105,850	130,616
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>105,850</u>	<u>130,616</u>
Prior year adjustment	Note 4	
	<u>70,970</u>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>176,820</u>	

The notes form part of these financial statements

Leadpoint (UK) Limited

**Balance Sheet
31 December 2009**

		31 12 09	31 12 08 as restated
	Notes	£	£
FIXED ASSETS			
Tangible assets	5	9,808	11,915
CURRENT ASSETS			
Debtors	6	481,143	365,975
Cash at bank		443,475	234,806
		<u>924,618</u>	<u>600,781</u>
CREDITORS			
Amounts falling due within one year	7	<u>649,655</u>	<u>449,737</u>
NET CURRENT ASSETS		<u>274,963</u>	<u>151,044</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>284,771</u>	<u>162,959</u>
CREDITORS			
Amounts falling due after more than one year	8	<u>558,062</u>	<u>542,100</u>
NET LIABILITIES		<u>(273,291)</u>	<u>(379,141)</u>
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account	10	<u>(273,293)</u>	<u>(379,143)</u>
SHAREHOLDERS' FUNDS		<u>(273,291)</u>	<u>(379,141)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2009

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2009 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 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 Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The notes form part of these financial statements

Leadpoint (UK) Limited

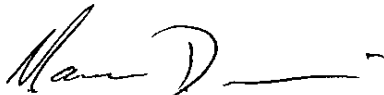
Balance Sheet - continued
31 December 2009

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on
by

2/11/10

and were signed on its behalf



M Diana - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2009**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts have been prepared on the going concern basis as the directors consider this appropriate in the light of the company's plans to generate profits and contain costs, and also bearing in mind the level of inter-company loans which contribute to the year end balance sheet deficit

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 April 2008)

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 - 25% on reducing balance

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 OPERATING PROFIT

The operating profit is stated after charging

	31 12 09	31 12 08 as restated
	£	£
Depreciation - owned assets	2,960	4,010
Pension costs	-	897
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	-	-
	<u> </u>	<u> </u>

3 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2009 nor for the year ended 31 December 2008

4 PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made in these accounts to reflect £70,970 of sales found to have been omitted from previous years' accounts In the opinion of the directors, this amount was sufficiently material to warrant an adjustment to prior year figures

Leadpoint (UK) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

5 TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2009	18,923
Additions	853
	<u>19,776</u>
At 31 December 2009	
DEPRECIATION	
At 1 January 2009	7,008
Charge for year	2,960
	<u>9,968</u>
At 31 December 2009	
NET BOOK VALUE	
At 31 December 2009	<u>9,808</u>
At 31 December 2008	<u>11,915</u>

6 DEBTORS

	31 12 09 £	31 12 08 as restated £
Amounts falling due within one year		
Trade debtors	57,876	349,612
Other debtors	-	15,382
Deposit	1,326	-
Prepayments and accrued income	-	981
	<u>59,202</u>	<u>365,975</u>
Amounts falling due after more than one year		
Intercompany receivable	<u>421,941</u>	<u>-</u>
Aggregate amounts	<u>481,143</u>	<u>365,975</u>

7 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 09 £	31 12 08 as restated £
Trade creditors	445,123	403,611
VAT	63,070	-
Other creditors	3,241	38,718
Customer deposits	99,052	-
Accruals and deferred income	39,169	7,408
	<u>649,655</u>	<u>449,737</u>

Leadpoint (UK) Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2009**

8 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 09	31 12 08 as restated
	£	£
Other creditors	<u>558,062</u>	<u>542,100</u>

9 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	31 12 09	31 12 08 as restated
			£	£
2	Ordinary	1	<u>2</u>	<u>2</u>

10 RESERVES

	Profit and loss account £
At 1 January 2009	(450,113)
Prior year adjustment	<u>70,970</u>
Profit for the year	<u>(379,143)</u>
At 31 December 2009	<u>105,850</u>
	<u>(273,293)</u>

11 RELATED PARTY DISCLOSURES

As at the 31 December 2009, the company owed its parent company, Leadpoint Inc, a net amount of £136,121

12 ULTIMATE CONTROLLING PARTY

Control of the company rests with the owners of its parent company, Leadpoint Inc, which is incorporated in the USA. That company is controlled by its 39.5% shareholder, Redpoint Ventures II, together with Mr M Diana and Mr P Petersen.

Leadpoint (UK) Limited

**Trading and Profit and Loss Account
for the Year Ended 31 December 2009**

	31 12 09		31 12 08 as restated	
	£	£	£	£
Sales		5,571,254		4,198,309
Cost of sales				
Purchases	4,617,601		3,415,211	
Credit card processing fees	63,200		-	
Referrals Payment	-		30	
		<u>4,680,801</u>		<u>3,415,241</u>
GROSS PROFIT		890,453		783,068
Other income				
Interest Received		197		8
		<u>890,650</u>		<u>783,076</u>
Expenditure				
Rates and water	-		94	
Insurance	1,363		135	
Rent	75,600		71,683	
Wages	473,088		421,015	
Social security	47,678		43,652	
Pensions	-		897	
Telephone	14,333		13,154	
Printing, post and stationery	2,078		2,526	
Advertising	13,096		13,147	
Travelling & entertainment	18,619		13,854	
Motor expenses	2,338		1,214	
Subscriptions	1,150		505	
Royalties paid	-		13	
Repairs and renewals	635		685	
Recruitment fees	6,279		16,086	
Staff training	150		627	
Private Medical Insurance	714		942	
Computer costs	3,906		4,650	
Sundry expenses	4,666		2,756	
Canteen	1,867		1,426	
Staff Welfare	114		1,297	
Accountancy	4,741		6,325	
Uncollected VAT	60,353		-	
Legal fees	4,737		12,208	
Donations	360		-	
Entertainment	12,295		6,901	
Bad debts	30,000		2,001	
Doubtful Debts	-		7,999	
		<u>780,160</u>		<u>645,792</u>
Carried forward		110,490		137,284

This page does not form part of the statutory financial statements

Leadpoint (UK) Limited

**Trading and Profit and Loss Account
for the Year Ended 31 December 2009**

	31 12 09		31 12 08 as restated	
	£	£	£	£
Brought forward		110,490		137,284
Finance costs				
Bank charges	1,593		2,480	
Credit card	87		94	
Bank interest	-		84	
		<u>1,680</u>		<u>2,658</u>
		108,810		134,626
Depreciation				
Computer equipment		<u>2,960</u>		<u>4,010</u>
NET PROFIT		<u><u>105,850</u></u>		<u><u>130,616</u></u>

This page does not form part of the statutory financial statements