REGISTERED NUMBER: 03713535 (England and Wales)

REPORT OF THE DIRECTOR AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

FOR

LIO DEVELOPMENTS LIMITED

Griffiths Marshall
Chartered Accountants
Statutory Auditor
Beaumont House
172 Southgate Street
Gloucester
Gloucestershire
GL1 2EZ

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LIO DEVELOPMENTS LIMITED

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for the Year Ended 31 DECEMBER 2009

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LIO DEVELOPMENTS LIMITED

COMPANY INFORMATION
for the Year Ended 31 DECEMBER 2009

DIRECTOR:	Lisa Taylor
SECRETARY:	Jordan Cosec Limited
REGISTERED OFFICE.	20-22 Bedford Row London WC1R 4JS
REGISTERED NUMBER:	03713535 (England and Wales)
AUDITORS:	Griffiths Marshall Chartered Accountants Statutory Auditor Beaumont House 172 Southgate Street Gloucester Gloucestershire GL1 2EZ
BANKERS:	Barclays Bank Plc PO Box 391 Bowater House 68 Knightsbridge London SW1X 7NT

LIO DEVELOPMENTS LIMITED

REPORT OF THE DIRECTOR
for the Year Ended 31 DECEMBER 2009

The director presents her 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 holding company

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2009

DIRECTORS
The directors who have held office during the period from 1 January 2009 to the date of this report are as follows

Lexing Management Limited - resigned 23 June 2009
Lisa Taylor - appointed 23 June 2009

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable her to ensure that the financial statements comply with the Companies Act 2006 She is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and she has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS
The auditors, Griffiths Marshall, will be proposed for re-appointment at the forthcoming Annual General Meeting

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:

Lisa Taylor - Director

Date 22.12.10

LIO DEVELOPMENTS LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
LIO DEVELOPMENTS LIMITED

We have audited the financial statements of Lio Developments Limited for the year ended 31 December 2009 on pages five to nine The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of director and auditors
As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements

Opinion on financial statements
In our opinion the financial statements
- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
LIO DEVELOPMENTS LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was not entitled to prepare the financial statements and the Report of the Director in accordance with the small companies regime

Stephen Humphries (Senior Statutory Auditor)
for and on behalf of Griffiths Marshall
Chartered Accountants
Statutory Auditor
Beaumont House
172 Southgate Street
Gloucester
Gloucestershire
GL1 2EZ

Date 23 December 2010

LIO DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 DECEMBER 2009

	Notes	2009 £	2008 £
TURNOVER		-	-
Administrative expenses		(57,303)	(6,067)
OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(57,303)	(6,067)
Tax on loss on ordinary activities	3	-	-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(57,303)	(6,067)

The notes form part of these financial statements

LIO DEVELOPMENTS LIMITED

BALANCE SHEET
31 DECEMBER 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Investments	4	1,384,531	104,271
CURRENT ASSETS			
Debtors	5	2	337,597
CREDITORS			
Amounts falling due within one year	6	(415,338)	(413,992)
NET CURRENT LIABILITIES		(415,336)	(76,395)
TOTAL ASSETS LESS CURRENT LIABILITIES		969,195	27,876
CREDITORS			
Amounts falling due after more than one year	7	(1,070,981)	(72,359)
NET LIABILITIES		(101,786)	(44,483)
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account	9	(101,788)	(44,485)
SHAREHOLDERS' FUNDS		(101,786)	(44,483)

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 director on 21.12.10 and were signed by

Lisa Taylor Director

The notes form part of these financial statements

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 April 2008)

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction Exchange differences are taken into account in arriving at the operating result

Group exemption
These financial statements contain information about Lio Developments Limited as an individual undertaking and do not contain consolidated financial information as the parent of a Group The director considers the company to qualify as a small company in accordance with Section 398 of the Companies Act 2006 and has therefore taken advantage of the exemption to produce consolidated financial statements

2 OPERATING LOSS

The operating loss is stated after charging

	2009 £	2008 £
Foreign exchange differences	-	1,331
Auditor remuneration	700	-
Directors' remuneration and other benefits etc	-	-

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 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 January 2009	104,271
Additions	1,280,260
At 31 December 2009	1,384,531
NET BOOK VALUE	
At 31 December 2009	1,384,531
At 31 December 2008	104,271

continued

4 FIXED ASSET INVESTMENTS - continued

The investment relates to the holding of 100% of the issued share capital in LD-Ukraine, a company registered in Ukraine Registered address 6 Chervonykh Avenue, City of Kyiv, 04073, Ukraine Registered number 31093996

Lio Development Limited increased their share capital in LD-Ukraine by $1,580,000 in the financial year 2003 that was omitted from the financial statements in 2003 and has subsequently been corrected in 2009

Also in financial year 2003 the loan to investment was incorrectly recorded It has been correctly reallocated to holding in investment in 2009

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Other debtors	2	2
Loan to investment	-	337,595
	2	337,597

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Loan - shareholders	413,492	413,492
Accrued expenses	1,846	500
	415,338	413,992

7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £	2008 £
Loan-Sensei	1,070,981	72,359

8 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number	Class	Nominal value	2009 £	2008 £
2	Ordinary	£1	2	2

9 RESERVES

	Profit and loss account £
At 1 January 2009	(44,485)
Deficit for the year	(57,303)
At 31 December 2009	(101,788)

continued

10 RELATED PARTY DISCLOSURES

Included in creditors is a balance of £1,070,980 (2008 £72,359) which relates to a loan received from Sensei Limited Sensei Limited has the same beneficial owners as Lio Developments Limited

11 ULTIMATE CONTROLLING PARTY

The controlling party is Financiere Egine Holding S C.A A company incorporated in Luxembourg

LIO DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 DECEMBER 2009

	2009		2008	
	£	£	£	£
Income		-		-
Expenditure				
Penalties	1,600		-	
Accountancy	1,279		810	
Audit fees	700		-	
Secretarial fees	1,900		1,818	
Foreign exchange losses	-		1,331	
		5,479		3,959
		(5,479)		(3,959)
Finance costs				
Loan interest		51,824		2,108
NET LOSS		(57,303)		(6,067)