



Accountants and business advisors

**Infoserve Limited**  
**(formerly Infoserve.com Limited)**

(Company number 3867903)

Annual report

Period ended 31 December 2003



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COMPANIES HOUSE 06/10/04

A21 \*AUS3FYT6\* 0577  
COMPANIES HOUSE 25/09/04

# **INFOSERVE LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	D Hood D Oliver S Barnes
<b>Secretary</b>	R W M Lee
<b>Company Number</b>	3867903
<b>Registered Office</b>	South Side Aviation Leeds Bradford International Airport Leeds West Yorkshire LS19 7UG
<b>Auditors</b>	PKF New Guild House 45 Great Charles Street Queensway Birmingham B3 2LX

# INFOSERVE LIMITED

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**INFOSERVE LIMITED**  
**DIRECTORS' REPORT**  
**PERIOD ENDED 31 DECEMBER 2003**

The directors submit their report and the financial statements for the period ended 31 December 2003.

**Change of name**

The company changed its name from Infoserve.com Limited to Infoserve Limited on 15 July 2004.

**Principal activity**

The company provides a range of internet and IT services.

**Directors**

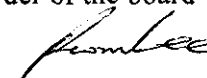
The directors who served during the period and their interests in the company's issued share capital at the balance sheet date and at the start of the period were:

	Ordinary Shares of 1p each		Preference shares of £1 each	
	31 Dec 2003	31 May 2003	31 Dec 2003	31 May 2003
D Hood	65,000	55,000	100,000	100,000
D Oliver	14,000	25,000	-	-

**Basis of preparation**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



**R W M Lee**  
Secretary

9 September 2004

**INFOSERVE LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

The directors are responsible for ensuring that the directors' report and other information included in the annual report is prepared in accordance with company law in the United Kingdom.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
INFOSERVE.COM LIMITED**

We have audited the financial statements of Infoserve.com Limited for the period ended 31 December 2003 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditor's 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## INDEPENDENT AUDITORS' REPORT (continued)

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, consisting of a large, stylized loop followed by the letters 'KF'.

Birmingham, UK  
23 September 2004

**PKF**  
Registered Auditors

**INFOSERVE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**PERIOD ENDED 31 DECEMBER 2003**

	Notes	Seven months ended 31 December 2003 £	Year ended 31 May 2003 £
<b>TURNOVER</b>	<b>2</b>	<b>158,182</b>	<b>178,948</b>
Cost of sales		<u>(246,250)</u>	<u>(332,596)</u>
<b>GROSS LOSS</b>		<b>(88,068)</b>	<b>(153,648)</b>
Administrative expenses		<u>(128,651)</u>	<u>(107,634)</u>
<b>OPERATING LOSS</b>	<b>3</b>	<b>(216,719)</b>	<b>(261,282)</b>
Interest receivable and similar income		-	9
Interest payable and similar charges		<u>(969)</u>	<u>(973)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>	<b>11</b>	<b><u>(217,688)</u></b>	<b><u>(262,246)</u></b>



**INFOSERVE LIMITED**  
**BALANCE SHEET**  
**31 DECEMBER 2003**

	Notes	31 December 2003 £	31 May 2003 £
<b>FIXED ASSETS</b>			
Tangible	5	11,504	17,031
Investments	6	2	2
		<u>11,506</u>	<u>17,033</u>
<b>CURRENT ASSETS</b>			
Debtors	7	48,930	81,955
Cash at bank and in hand		18	200
		<u>48,948</u>	<u>82,155</u>
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(135,428)</u>	<u>(114,842)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(86,480)</u>	<u>(32,687)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(74,974)</u>	<u>(15,654)</u>
<b>CREDITORS: amounts falling due after more than one year</b>			
	9	823,841	665,473
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	101,000	101,000
Profit and loss account	11	(999,815)	(782,127)
		<u>(74,974)</u>	<u>(15,654)</u>

The financial statements 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 on 9 September 2004

Signed on behalf of the board of directors

  
S Barnes Director

**INFOSERVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 31 DECEMBER 2003**

**1 ACCOUNTING POLICIES**

**(a) Basis of preparation of financial statements**

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).

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The financial statements have been prepared on a going concern basis given the assurance of continued financial support for the foreseeable future, from D R Hood, director and shareholder. Specifically, it has been confirmed by Mr Hood that repayment of the £820,000 due to him at the end of the year (note 9) will not be required before 1 January 2005.

**(b) Turnover**

Turnover comprises the invoiced value of services supplied by the company, net of value added tax and trade discounts.

**(c) Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, using the straight line method, over the following expected useful lives:

Improvements to leasehold premises	- over remaining life of lease
Fixtures and fittings	- 5 years
Motor vehicles	- 4 years
Office equipment	- 3 years

**(d) Operating leases**

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

**2 TURNOVER**

All turnover arose within the United Kingdom.

**INFOSERVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 31 DECEMBER 2003**

**3 OPERATING LOSS**

The operating loss is stated after charging:

	Seven months ended 31 December 2003 £	Year ended 31 May 2003 £
Depreciation of tangible fixed assets:		
- owned by the company	8,119	17,310
Operating lease rentals	5,107	7,692
Auditors' remuneration	2,000	-
	<u>          </u>	<u>          </u>

**4 DIRECTORS' EMOLUMENTS AND BENEFITS**

	Seven months ended 31 December 2003 £	Year ended 31 May 2003 £
Aggregate of directors' emoluments and other benefits as defined in paragraph 1 of Sch 6 to the Companies Act 1985	21,000	36,000
	<u>          </u>	<u>          </u>

No directors were members of company pension schemes in either this period or the previous year.

**5 TANGIBLE FIXED ASSETS**

	Leasehold improvements £	Fixtures, fittings, office equipment & motor vehicles £	Total £
<b>Cost</b>			
At 1 June 2003	8,707	66,372	75,079
Additions	-	2,592	2,592
At 31 December 2003	<u>8,707</u>	<u>68,964</u>	<u>77,671</u>
<b>Depreciation</b>			
At 1 June 2003	8,707	49,341	58,048
Charge for the period	-	8,119	8,119
At 31 December 2003	<u>8,707</u>	<u>57,460</u>	<u>66,167</u>
<b>Net book amount</b>			
At 31 December 2003	<u>          </u>	<u>11,504</u>	<u>11,504</u>
At 31 May 2003	<u>          </u>	<u>17,031</u>	<u>17,031</u>

**INFOSERVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 31 DECEMBER 2003**

**6 FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>Cost</b>	
At 1 June 2003	
and 31 December 2003	2
<b>Net book amount</b>	
At 31 December 2003	2
At 31 May 2003	2

This represents an investment in 100% of the ordinary share capital of City Visitor Limited and in 100% of the ordinary share capital of Infoserve.com Limited (formerly Infoserve Limited), both companies registered in England and Wales and remained dormant throughout the period.

**7 DEBTORS**

	31 December 2003 £	31 May 2003 £
Trade debtors	39,541	81,098
Other debtors	9,389	857
	<u>48,930</u>	<u>81,955</u>

**8 CREDITORS:**

**Amounts falling due within one year**

	31 December 2003 £	31 May 2003 £
Bank loans and overdrafts	23,228	48,043
Trade creditors	13,310	33,000
Other taxation and social security	10,042	31,601
Other creditors	88,848	2,198
	<u>135,428</u>	<u>114,842</u>

The bank overdraft is unsecured.

**INFOSERVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 31 DECEMBER 2003**

**9 CREDITORS:**

Amounts falling due after more than one year

	31 December 2003 £	31 May 2003 £
Bank loans	3,841	1,248
Other creditors	820,000	664,225
	<u>823,841</u>	<u>665,473</u>

Other creditors represents a loan from Mr Hood (note 14). This loan is interest free and has no fixed repayment date.

**10 SHARE CAPITAL**

	Authorised £	Allotted, called up and fully paid No	£
At 1 June 2003 and 31 December 2003			
Ordinary shares of 1p each	1,000	100,000	1,000
Preference shares of £1 each	600,000	100,000	100,000
	<u>601,000</u>	<u>200,000</u>	<u>101,000</u>

**11 RESERVES**

	£
<b>Profit and loss account</b>	
At 1 June 2003	(782,127)
Loss for the period	(217,688)
At 31 December 2003	<u>(999,815)</u>

**12 OTHER COMMITMENTS**

At 31 December 2003 the company had annual commitments under operating leases as follows:

	31 December 2003 £	31 May 2003 £
<b>Expiry date:</b>		
Within one year	<u>849</u>	<u>6,110</u>

**INFOSERVE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**PERIOD ENDED 31 DECEMBER 2003**

**13 TRANSACTIONS WITH RELATED PARTIES**

During the period Infoserve.com Limited entered into the following transactions with Multiflight Limited (a company in which Mr Hood is director and principal shareholder):

Sales           £17,736 (year ended 31 May 2003: £15,079)

Purchases   £12,329 (year ended 31 May 2003: £11,993)

At the balance sheet date the company owed £4,265 (year ended 31 May 2003: £1,005) to Multiflight Limited and Multiflight Limited owed Infoserve Limited £6,743 (year ended 31 May 2003: £nil).

**14 CONTROLLING PARTIES**

The company is controlled by D R Hood.