

**INTES INTERNATIONAL (UK) LIMITED**  
**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2002**



# **INTES INTERNATIONAL (UK) LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	R.B. Shepherd A.E. Blatter
<b>Secretary</b>	R.B. Shepherd
<b>Registered Office</b>	384 Lanark Road Edinburgh EH13 0LX
<b>Accountants</b>	Banks Richardson Scott & Co. 1a Torphichen Street Edinburgh EH3 8HX
<b>Bankers</b>	Clydesdale Bank plc Sighthill Branch 12 Bankhead Avenue Edinburgh EH11 4HD

## **INTES INTERNATIONAL (UK) LIMITED**

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The following page does not form part of the statutory financial statements:

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## **INTES INTERNATIONAL (UK) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2002**

The directors present their report together with the financial statements for the year to 31st December 2002.

#### **Principal Activities**

The company's principal activity continued to be that of publishing children's books.

#### **Directors**

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	<b>Ordinary shares of £1 each</b>	
	<b>01/01/02</b>	<b>31/12/02</b>

R.B. Shepherd	1	1
A.E. Blatter	1	1

#### **Small Company Exemptions**

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and was approved by the board on 28th October 2003, and signed on its behalf by

*R B Shepherd*

**R B Shepherd**

**ACCOUNTANTS' REPORT TO THE DIRECTORS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
INTES INTERNATIONAL (UK) LIMITED**

As described on the balance sheet, you are responsible for the preparation of the financial statements for the year ended 31st December 2002, set out on pages 3 to 8, and you consider that the company is exempt from an audit under Section 249A of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



**Banks Richardson Scott & Co.  
Accountants  
1a Torphichen Street  
Edinburgh  
EH3 8HX**

**28th October 2003**

# **INTES INTERNATIONAL (UK) LIMITED**

## **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2002**

	<b>Notes</b>	<b>2002 £</b>	<b>2001 £</b>
<b>Turnover</b>	<b>2</b>		
Cost of sales		<u><b>3,138</b></u>	<u>12,945</u>
Administrative Expenses		<u><b>8,957</b></u>	<u>9,649</u>
<b>Operating (Loss)/Profit</b>	<b>3</b>	<b>(5,819)</b>	3,296
Tax on Profit on Ordinary Activities	<b>4</b>	<u>-</u>	<u>223</u>
<b>(Loss)/Profit for the Financial Year</b>		<b>(5,819)</b>	3,073
<b>Retained Profit/(Losses) Brought Forward</b>		<u><b>1,733</b></u>	<u>(1,340)</u>
<b>Retained (Losses)/Profits Carried Forward</b>		<u><b>(4,086)</b></u>	<u>1,733</u>

All amounts relate to continuing activities.

There were no recognised gains or losses for 2002 or 2001 other than those included in the profit and loss account.

# INTES INTERNATIONAL (UK) LIMITED

## BALANCE SHEET AS AT 31ST DECEMBER 2002

	NOTES	£	2002 £	2001 £
<b>Fixed Assets</b>				
Tangible Assets	5		-	-
<b>Current Assets</b>				
Stock	6	8,649		11,051
Debtors	7	6,075		5,311
Cash at bank		640		1,093
		<u>15,364</u>		<u>17,455</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	8	<u>19,448</u>		<u>15,720</u>
<b>Net Current (Liabilities)/Assets</b>			<u>(4,084)</u>	<u>1,735</u>
<b>Total Assets Less Current Liabilities</b>			<u>(4,084)</u>	<u>1,735</u>
<b>Capital &amp; Reserves</b>				
Called up Share Capital	9		2	2
Profit and Loss Account			<u>(4,086)</u>	<u>1,733</u>
<b>Shareholder's Funds</b>			<u>(4,084)</u>	<u>1,735</u>

## **INTES INTERNATIONAL (UK) LIMITED**

**BALANCE SHEET (Continued)**  
**AS AT 31ST DECEMBER 2002**

The directors are of the opinion that the company is entitled to exemption from audit conferred by sub-section 1 of Section 249A of the Companies Act 1985 for the year ended 31st December 2002.

The directors confirm that no member or members have requested an audit pursuant to sub-section 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

Ensuring that the company keeps accountancy records which comply with Section 221 of the Companies Act 1985.

And preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial period and of its results for the period in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 to small companies.

These financial statements were approved by the board on 28th October 2003 and signed on its behalf by

*R B Shepherd*

**R B Shepherd**  
**Director**

The notes on pages 6 to 8 form part of these financial statements



## **INTES INTERNATIONAL (UK) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST DECEMBER 2002**

#### **1. Accounting Policies**

##### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

##### **Turnover**

Turnover is the total amount receivable by the company for work done.

##### **Depreciation**

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by the straight line method over their expected useful lives. The rates and periods generally applicable are:

Computer equipment	25%
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##### **Basis of Preparing Financial Statements – Going Concern**

During the year the company incurred a loss and at the balance sheet date, its liabilities exceed its assets by £4,084. The company meets its day to date working capital requirements from its loans from directors.

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

The validity of the assumption depends on the company's bankers continuing their support by providing adequate overdraft facilities. If the company was unable to continue in operational existence for the foreseeable future, adjustments would have to be made to amend the balance sheet values to their recoverable amounts and to provide for further liabilities that might arise.

The director's believe that the financial statements should be prepared on a going concern basis.

##### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

# INTES INTERNATIONAL (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST DECEMBER 2002

### 2. Turnover

The turnover was derived from the company's principal activity which was carried out both in the UK and abroad.

### 3. Operating Profit

	2002 £	2001 £
<i>The operating profit is arrived at after charging:</i>		
Depreciation of owned assets	<u>-</u>	<u>318</u>

### 4. Taxation

	2002 £	2001 £
Based on the profit for the year		
UK corporation tax at 10%	<u>-</u>	<u>223</u>

### 5. Tangible Fixed Assets

	Computer Equipment £
<b>Cost</b>	
As at 1st January 2002	<u>1,272</u>
<b>Depreciation</b>	
As at 1st January 2002	<u>1,272</u>
Charge for the year	<u>-</u>
	<u>1,272</u>
<b>Net Book Value</b>	
As at 31st December 2002	<u>-</u>
As at 31st December 2001	<u>-</u>

### 6. Stocks

	2002 £	2001 £
Stock represents the value at cost of finished books	<u>8,649</u>	<u>11,051</u>

**INTES INTERNATIONAL (UK) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED 31ST DECEMBER 2002**

**7. Debtors**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>5,480</b>	5,118
VAT recoverable	<b>595</b>	193
	<b><u>6,075</u></b>	<b><u>5,311</u></b>

**8. Creditors: Amounts Falling Due Within One Year**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Accruals	<b>1,519</b>	2,031
Corporation tax	-	223
Directors' loans	<b>17,929</b>	13,466
	<b><u>19,448</u></b>	<b><u>15,720</u></b>

**9. Share Capital  
 Authorised**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
100 Ordinary shares of £1 each	<b><u>100</u></b>	<b><u>100</u></b>
<b>Allotted and fully paid</b>		
2 Ordinary shares of £1 each	<b><u>2</u></b>	<b><u>2</u></b>