

**INTES INTERNATIONAL (UK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST DECEMBER 2004**



**Company No. SC181192**

# **INTES INTERNATIONAL (UK) LIMITED**

## **COMPANY INFORMATION**

### **Directors**

R.B. Shepherd  
A.E. Blatter

### **Secretary**

R.B. Shepherd

### **Registered Office**

384 Lanark Road  
Edinburgh  
EH13 0LX

### **Accountants**

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

### **Bankers**

Clydesdale Bank plc  
Sighthill Branch  
12 Bankhead Avenue  
Edinburgh  
EH11 4HD

# **INTES INTERNATIONAL (UK) LIMITED**

## **CONTENTS**

	<b>Page</b>
<b>Directors' Report</b>	<b>1</b>
<b>Accountants' Report</b>	<b>2</b>
<b>Profit and Loss Account</b>	<b>3</b>
<b>Balance Sheet</b>	<b>4-5</b>
<b>Notes to Financial Statements</b>	<b>6-8</b>

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

<b>Trading and Profit and Loss Account</b>	<b>9</b>
--	----------

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

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2004**

The directors present their report together with the financial statements for the year to 31st December 2004.

#### **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>01/01/04</b>	<b>31/12/04</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 2005, 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 2004, 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 2005**

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

### **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2004**

	<b>Notes</b>	<b>2004 £</b>	<b>2003 £</b>
<b>Turnover</b>	<b>2</b>	<b>10,792</b>	1,240
Cost of sales		<u>2,939</u>	<u>2,036</u>
		<b>7,853</b>	(796)
Administrative Expenses		<u>5,109</u>	<u>4,244</u>
<b>Operating Profit/(Loss)</b>	<b>3</b>	<b>2,744</b>	(5,040)
Tax on Profit on Ordinary Activities	<b>4</b>	<u>-</u>	<u>-</u>
<b>Profit/(Loss) for the Financial Year</b>		<b>2,744</b>	(5,040)
<b>Retained (Losses) Brought Forward</b>		<u>(9,126)</u>	<u>(4,086)</u>
<b>Retained (Losses) Carried Forward</b>		<u>(6,382)</u>	<u>(9,126)</u>

All amounts relate to continuing activities.

There were no recognised gains or losses for 2004 or 2003 other than those included in the profit and loss account.

# INTES INTERNATIONAL (UK) LIMITED

## BALANCE SHEET AS AT 31ST DECEMBER 2004

	NOTES	£	2004 £	2003 £
<b>Fixed Assets</b>				
Tangible Assets	5		-	-
<b>Current Assets</b>				
Stock	6	6,082		6,613
Debtors	7	464		3,450
Cash at bank		2,501		1,508
		<u>9,047</u>		<u>11,571</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	8	<u>15,427</u>		<u>20,695</u>
<b>Net Current (Liabilities)</b>			<u>(6,380)</u>	<u>(9,124)</u>
<b>Total Assets Less Current Liabilities</b>			<u>(6,380)</u>	<u>(9,124)</u>
<b>Capital &amp; Reserves</b>				
Called up Share Capital	9		2	2
Profit and Loss Account			<u>(6,382)</u>	<u>(9,126)</u>
<b>Shareholder's Funds</b>			<u>(6,380)</u>	<u>(9,124)</u>

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

**BALANCE SHEET (Continued)  
AS AT 31ST DECEMBER 2004**

In approving these financial statements as the directors of the company I hereby confirm:

- (a) For the year ended 31st December 2004 the company was entitled to exemption under 249A(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
  - (i) ensuring the company keeps accountancy records which comply with Section 221, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profits or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.
- (d) The accounts 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 2005 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 2004**

#### **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%
--------------------	-----

##### **Basis of Preparing Financial Statements – Going Concern**

During the year the company incurred a profit of £2,744 but at the balance sheet date, its liabilities exceed its assets by £6,380. 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 directors 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 2004

#### 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

*The operating profit is arrived at after charging:*

Depreciation of owned assets

**2004**  
**£**

**2003**  
**£**

-

-

#### 4. Taxation

Based on the profit for the year  
UK corporation tax at 0%

**2004**  
**£**

**2003**  
**£**

-

-

#### 5. Tangible Fixed Assets

Computer  
Equipment  
£

##### Cost

As at 1st January 2004

**1,272**

##### Depreciation

As at 1st January 2004

**1,272**

Charge for the year

-

**1,272**

##### Net Book Value

As at 31st December 2004

-

As at 31st December 2003

-

#### 6. Stocks

**2004**  
**£**

**2003**  
**£**

Stock represents the value at cost of  
finished books

**6,082**

**6,613**

# **INTES INTERNATIONAL (UK) LIMITED**

## NOTES TO THE FINANCIAL STATEMENTS (Continued) YEAR ENDED 31ST DECEMBER 2004

### 7. **Debtors**

	2004	2003
	£	£
Trade debtors	340	3,238
VAT recoverable	124	212
	<u>464</u>	<u>3,450</u>

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

	2004	2003
	£	£
Accruals	470	470
Directors' loans	14,957	20,225
	<u>15,427</u>	<u>20,695</u>

### 9. **Share Capital Authorised**

	2004	2003
	£	£
100 Ordinary shares of £1 each	100	100
<b>Allotted and fully paid</b>		
2 Ordinary shares of £1 each	2	2