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REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2002  
FOR  
INFORMATION TRANSFER SERVICES LIMITED



**INFORMATION TRANSFER SERVICES LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2002**

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**INFORMATION TRANSFER SERVICES LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2002**

**DIRECTORS:**

Dr R Rickards  
W R Mann  
N B Clayton  
G L Sweeten  
Dr R E Meller  
Ms D R Ganz

**SECRETARY:**

N B Clayton

**REGISTERED OFFICE:**

Burleigh House  
15 Newmarket Road  
Cambridge  
CB5 8EG

**REGISTERED NUMBER:**

1588561

**ACCOUNTANTS:**

Chater Allan  
Chartered Accountants  
Beech House  
4a Newmarket Road  
Cambridge  
CB5 8DT

# INFORMATION TRANSFER SERVICES LIMITED

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their report with the financial statements of the company for the year ended 31 December 2002.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property rental and the provision of office services.

### REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

### DIVIDENDS

No dividends will be distributed for the year ended 31 December 2002.

### DIRECTORS

The directors during the year under review were:

Dr R Rickards  
W R Mann  
N B Clayton  
G L Sweeten  
Dr R E Meller  
Ms D R Ganz

The beneficial interests of the directors holding office on 31 December 2002 in the issued share capital of the company were as follows:

	31.12.02	1.1.02
<b>Ordinary £1 shares</b>		
Dr R Rickards	365	426
W R Mann	365	426
N B Clayton	376	430
G L Sweeten	365	426
Dr R E Meller	365	426
Ms D R Ganz	365	426

### POTENTIAL IMPACT OF THE EURO

The directors have considered the potential impact on the company's business of the introduction of the Euro. In the opinion of the directors there will be no material adverse effect on, or cost to, the company as a result of the introduction of the Euro.

### ON BEHALF OF THE BOARD:

  
.....  
Dr R Rickards - Director

Date: 16 Aug 2003

**INFORMATION TRANSFER SERVICES LIMITED**

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

		2002		2001	
	Notes	£	£	£	£
<b>TURNOVER</b>			5,784		702,516
Continuing operations		5,784		42,880	
Discontinued operations		-		659,636	
Cost of sales	2		-		577,989
<b>GROSS PROFIT</b>	2		5,784		124,527
Net operating expenses	2		1,812		142,693
<b>OPERATING PROFIT/(LOSS)</b>	5		3,972		(18,166)
Continuing operations		3,972		(13,774)	
Discontinued operations		-		(4,392)	
Interest receivable and similar income			-		14
			3,972		(18,152)
Interest payable and similar charges	6		1,562		441
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			2,410		(18,593)
Tax on profit/(loss) on ordinary activities	7		135		-
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>			2,275		(18,593)
Dividends	8		-		16,256
			2,275		(34,849)
Retained profit brought forward			256		35,105
<b>RETAINED PROFIT CARRIED FORWARD</b>			£2,531		£256
<b>TOTAL RECOGNISED GAINS AND LOSSES</b>					
The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.					

The notes form part of these financial statements

# INFORMATION TRANSFER SERVICES LIMITED

## BALANCE SHEET 31 DECEMBER 2002

	Notes	2002		2001	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	9		12,467		15,760
<b>CURRENT ASSETS:</b>					
Debtors	10	18,329		27,459	
Cash at bank and in hand		9,386		-	
		27,715		27,459	
<b>CREDITORS:</b> Amounts falling due within one year	11	25,607		28,123	
<b>NET CURRENT ASSETS/(LIABILITIES):</b>			2,108		(664)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			14,575		15,096
<b>CREDITORS:</b> Amounts falling due after more than one year	12		9,484		12,280
			£5,091		£2,816
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	14		2,560		2,560
Profit and loss account			2,531		256
<b>SHAREHOLDERS' FUNDS:</b>	16		£5,091		£2,816

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting 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 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 Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

**ON BEHALF OF THE BOARD:**

  
Dr R Rickards - Director

Approved by the Board on 16 Aug 2003

The notes form part of these financial statements

# INFORMATION TRANSFER SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

### 1. ACCOUNTING POLICIES

#### Accounting convention

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

#### Turnover

Turnover represents net invoiced sales of services, 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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 20% on cost
Fixtures, fittings & equipment	- Over the term of the lease

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### 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.

#### Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

### 2. ANALYSIS OF OPERATIONS

	Continuing	2002 Discontinued	Total
	£	£	£
Gross profit	5,784	-	5,784
Net operating expenses:			
Administrative expenses	108,445	-	108,445
Other operating income (see note 3)	(106,633)	-	(106,633)
	1,812	-	1,812

# INFORMATION TRANSFER SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

### 2. ANALYSIS OF OPERATIONS - continued

	Continuing £	2001 Discontinued £	Total £
Cost of sales	-	577,989	577,989
Gross profit	42,880	81,647	124,527
Net operating expenses:			
Administrative expenses	121,304	86,039	207,343
Other operating income (see note 3)	(64,650)	-	(64,650)
	56,654	86,039	142,693

### 3. OTHER OPERATING INCOME

	2002 £	2001 £
Rents received	77,713	62,250
Service charges	28,920	2,400
	106,633	64,650

### 4. STAFF COSTS

	2002 £	2001 £
Wages and salaries	-	39,929
Social security costs	-	3,118
Other pension costs	-	3,972
	-	47,019

The average monthly number of employees during the year was as follows:

	2002	2001
Management and administration	6	15

### 5. OPERATING PROFIT/(LOSS)

The operating profit (2001 - operating loss) is stated after charging:

	2002 £	2001 £
Depreciation - owned assets	219	12,062
Depreciation - assets on finance leases	3,074	256
Loss on disposal of fixed assets	-	8,580
Directors' emoluments	-	-



# INFORMATION TRANSFER SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
Bank interest	13	12
Leasing	1,549	429
	<u>1,562</u>	<u>441</u>

### 7. TAXATION

#### Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2002 £	2001 £
Current tax:		
UK corporation tax	79	-
Over/under provision from previous year	56	-
Total current tax	<u>135</u>	<u>-</u>
 Tax on profit/(loss) on ordinary activities	 <u>135</u>	 <u>-</u>

#### Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2002 £	2001 £
Profit/(loss) on ordinary activities before tax	<u>2,410</u>	<u>(18,593)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 10% (2001 - 10%)	241	(1,859)
Effects of:		
Depreciation in excess of capital allowances	319	2,074
Finance lease payments and lease premium	(250)	(215)
Reduction in tax rate during the year	(232)	-
Under provision from previous year	57	-
Current tax charge	<u>135</u>	<u>-</u>

### 8. DIVIDENDS

	2002 £	2001 £
Equity shares:		
Final	<u>-</u>	<u>16,256</u>

INFORMATION TRANSFER SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2002

9. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures, fittings & equipment	Totals
	£	£	£
<b>COST:</b>			
At 1 January 2002 and 31 December 2002	745	17,378	18,123
<b>DEPRECIATION:</b>			
At 1 January 2002	447	1,916	2,363
Charge for year	149	3,144	3,293
At 31 December 2002	596	5,060	5,656
<b>NET BOOK VALUE:</b>			
At 31 December 2002	149	12,318	12,467
At 31 December 2001	298	15,462	15,760

Fixed assets, included in the above, which are held under finance leases are as follows:

	Fixtures, fittings & equipment
	£
<b>COST:</b>	
At 1 January 2002 and 31 December 2002	15,370
<b>DEPRECIATION:</b>	
At 1 January 2002	256
Charge for year	3,074
At 31 December 2002	3,330
<b>NET BOOK VALUE:</b>	
At 31 December 2002	12,040
At 31 December 2001	15,114

10. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR

	2002 £	2001 £
Trade debtors	11	-
Other debtors	14,991	27,124
Prepayments & accrued income	3,327	335
	18,329	27,459

**INFORMATION TRANSFER SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2002**

**11. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2002 £	2001 £
Finance leases (see note 13)	2,796	2,504
Trade creditors	53	-
Dividend proposed	-	16,256
V.A.T.	4,884	-
Taxation	79	-
Accruals and deferred income	17,795	9,363
	<u>25,607</u>	<u>28,123</u>

**12. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	2002 £	2001 £
Finance leases (see note 13)	9,484	12,280

**13. OBLIGATIONS UNDER LEASING AGREEMENTS**

	2002 £	2001 £
Gross obligations repayable:		
Within one year	4,053	4,053
Between one and five years	11,146	15,199
	<u>15,199</u>	<u>19,252</u>
Finance charges repayable:		
Within one year	1,257	1,549
Between one and five years	1,662	2,919
	<u>2,919</u>	<u>4,468</u>
Net obligations repayable:		
Within one year	2,796	2,504
Between one and five years	9,484	12,280
	<u>12,280</u>	<u>14,784</u>

# INFORMATION TRANSFER SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

### 14. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2002	2001
			£	£
5,000	Ordinary	£1	<u>5,000</u>	<u>5,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2002	2001
			£	£
2,560	Ordinary	£1	<u>2,560</u>	<u>2,560</u>

### 15. RELATED PARTY DISCLOSURES

The company is controlled jointly by the directors.

During the year the company had the following related party transactions:

£5,784 management services, £38,200 rent and £26,603 service charges to Information Transfer LLP, a limited liability partnership of which all the directors of Information Transfer Services Limited are members.

At the year end £14,991 was due from Information Transfer LLP.

-£74,515 (2001: £68,000) rent was paid to Namulus Pension Trustees Limited, as trustees for pension plans of which the directors and shareholders are members.

### 16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit/(Loss) for the financial year	2,275	(18,593)
Dividends	-	(16,256)
<b>Net addition/(reduction) to shareholders' funds</b>	<u>2,275</u>	<u>(34,849)</u>
Opening shareholders' funds	2,816	37,665
<b>Closing shareholders' funds</b>	<u>5,091</u>	<u>2,816</u>
Equity interests	<u>5,091</u>	<u>2,816</u>