

SC219285

INTELLI ESOP LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2004



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COMPANIES HOUSE 21/12/04

INTELLI ESOP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS: C Rutherford
G J Neilly
A S McIntyre

SECRETARY: A S McIntyre

**REGISTERED
OFFICE:** 29 Rutland Square
Edinburgh
EH1 2BW

AUDITORS: Ernst & Young LLP
Ten George Street
Edinburgh
EH2 2DZ

BANKERS: Bank of Scotland
38 St Andrew Square
Edinburgh
EH2 2YR

SOLICITORS: Henderson Boyd Jackson WS
Exchange Tower
19 Canning Street
Edinburgh
EH3 8EH

**COMPANY
NUMBER:** SC 219285

INTELLI ESOP LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year ended 30 April 2004.

1 PRINCIPAL ACTIVITIES

The principal activity of the company is to act as the shareholding company for the Intelli Partners Limited group employee/executive share ownership scheme.

2 RESULTS, DEVELOPMENT AND FUTURE PROSPECTS

The profit for the period after taxation amounted to £6 (2003 – £1,173). The directors recommend that no dividend be paid and propose that the profit of £6 (2003 – £1,173) be transferred to reserves.

The company will continue to act as the shareholding company for the Intelli Partners Limited share ownership scheme.

3 DIRECTORS

The present membership of the Board is set out on Page 1.

The directors who served during the period and their interest as defined by the Companies Act in the share capital of the company were as follows:

	£1 Ordinary Shares	
	30 April 2004	30 April 2003
C Rutherford	-	-
G J Neilly	-	-
A S McIntyre	-	-

The directors have no direct interest in the shares of the company.

The interests of the directors in the shares of the ultimate parent company Intelli Partners Limited, are shown in the financial statements of that company.

4 AUDITORS

A resolution concerning the re-appointment of Ernst & Young LLP as auditors will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



A S McIntyre
Secretary

30 November 2004

INTELLI ESOP 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 to 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 prevention and detection of fraud and other irregularities.

30 November 2004



A S McIntyre
Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF
INTELLI ESOP LIMITED

We have audited the company's financial statements for the year ended 30 April 2004 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 12. These financial statements have been prepared on the basis of 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 auditors' 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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

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 judgements 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS (CONT)
OF
INTELLI ESOP LIMITED

Basis of audit opinion - continued

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 April 2004 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

30 November 2004

Ernst & Young LLP
Ernst & Young LLP
Registered Auditor
Ten George Street
Edinburgh
EH2 2DZ

INTELLI ESOP LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2004

	Note	2004 £	2003 £
Administration expenses		<u>(6)</u>	<u>(1,173)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	6	1,173
Taxation	6	<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		6	1,173
Dividends		<u>-</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR	10	<u><u>6</u></u>	<u><u>1,173</u></u>

The company made no recognised gains or losses during the current or previous period other than those included in the profit and loss account.

The notes on pages 8 to 11 form part of these financial statements

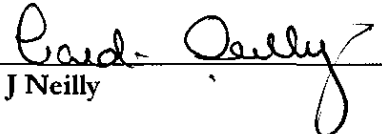
INTELLI ESOP LIMITED

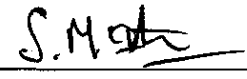
BALANCE SHEET

AT 30 APRIL 2004

	Note	2004 £	2003 £
CURRENT ASSETS			
Investments	7	168,308	162,388
Other debtors		1	1
Cash at bank in hand		252	607
		<hr/> 168,561	<hr/> 162,996
CREDITORS: Amounts falling due within one year	8	<hr/> 168,559	<hr/> 163,000
NET CURRENT ASSETS / (LIABILITIES)		<hr/> 2	<hr/> (4)
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> <hr/> 2	<hr/> <hr/> (4)
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Profit and loss account	10	1	(5)
EQUITY SHAREHOLDERS FUNDS	11	<hr/> <hr/> 2	<hr/> <hr/> (4)

These financial statements were approved by the Board of Directors on 30 November 2004.


 G J Neilly Director


 A S McIntyre Director

The notes on pages 8 to 11 form part of these financial statements

INTELLI ESOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2004

1 FUNDAMENTAL ACCOUNTING POLICY

Going Concern

The Directors have concluded that the company will remain a going concern for a period of at least 12 months from the date the financial statements were signed. They have obtained confirmation from the directors of the ultimate parent company that any amounts due or payable to them will not be repayable for a period of at least 12 months from the date the financial statements were signed.

2 ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

(b) Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

Listed current asset investments are stated at the lower of cost or market value, and other current asset investments are stated at the lower of cost and estimated net realisable value.

(c) Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or right to pay less, tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are those arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods.

(d) Cashflow Statement

The company is ultimately wholly owned by Intelli Partners Limited and the cash flows of the company are included in the consolidated cash flow statement of that company. Consequently, the company is exempt under the terms of FRS1 from publishing a cash flow statement.

3 TURNOVER

Turnover arises wholly from the principal activities of the company from within the United Kingdom and is stated net of VAT.

INTELLI ESOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - Continued

YEAR ENDED 30 APRIL 2004

4 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2004 £	2003 £
Employee costs during the year	<u>-</u>	<u>-</u>
Average monthly number of persons employed	<u>3</u>	<u>3</u>

No Director received any remuneration during the year (2003 - £Nil)

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2004 £	2003 £
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	<u>-</u>	<u>(1,000)</u>

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

Factors affecting tax charge for period

The tax charge for the period differs from the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	<u>6</u>	<u>1,173</u>
Corporation tax at standard rate of 30%	2	352
Effects of:		
Income not taxable	(2)	(352)
	<u>-</u>	<u>-</u>
Total current taxation for the period	<u>-</u>	<u>-</u>

INTELLI ESOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - Continued

YEAR ENDED 30 APRIL 2004

7 CURRENT ASSET INVESTMENTS

	2004	2003
	£	£
Unlisted		
Cost		
At 1 May 2003	162,388	8,425
Additions	5,920	153,963
Disposals	-	-
	<u>168,308</u>	<u>162,388</u>
At 30 April 2004	168,308	162,388

The investment represents 272,413 convertible shares and 17,463 Ordinary shares in Intelli Partners Limited.

8 CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
Amounts due to Intelli Corporate Finance Limited	-	12,000
Amounts due to Intelli Partners limited	165,000	151,000
Creditors	3,559	-
	<u>168,559</u>	<u>163,000</u>

The amount due to Intelli Partners Limited represents a zero interest loan and is repayable on demand. During the year, the loan balances of £12,000 were repaid to Intelli Corporate Finance Limited.

9 CALLED UP SHARE CAPITAL

	2004	2003
	£	£
Authorised		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

INTELLI ESOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS - Continued

YEAR ENDED 30 APRIL 2004

10 RESERVES

	2004	2003
	£	£
Profit and loss account:		
Balance at 1 May 2003	(5)	(1,178)
Profit for the period	6	1,173
Balance at 30 April 2004	<u>1</u>	<u>(5)</u>

11 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Profit on ordinary activities after taxation	6	1,173
Opening shareholders funds	<u>(4)</u>	<u>(1,177)</u>
Closing shareholders funds	<u>2</u>	<u>(4)</u>

12 PARENT COMPANY

The company's immediate parent company is Intelli Corporate Finance Limited and its ultimate parent company is Intelli Partners Limited both of which are registered in Scotland.

No disclosure of transactions with other group companies has been made, as permitted by FRS8, as these are eliminated on consolidation in the financial statements of Intelli Partners Limited.