

SC219285

INTELLI ESOP LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006



INTELLI ESOP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS.	G J Neilly S P Inglis
SECRETARY:	S McG Cowie
REGISTERED OFFICE:	29 Rutland Square Edinburgh EH1 2BW
AUDITORS:	Ernst & Young LLP Broadwalk House Southernhay West Exeter EX1 1LF
BANKERS.	Bank of Scotland 38 St Andrew Square Edinburgh EH2 2YR
COMPANY NUMBER:	SC 219285

INTELLI ESOP LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the period ended 31 December 2006

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 company made neither a profit or loss for the year after taxation (8 months to 31 12 05– loss £3) The directors recommend that no dividend be paid The loss of £3 in the 8 months to 31 12 05 was transferred to reserves

The company will continue to act as the shareholding company for the Intelli Partners Limited and subsidiaries share ownership scheme in relation to umia Investment Group plc

3 DIRECTORS

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

The directors at the period end and their interest as defined by the Companies Act in the share capital of the ultimate parent company were as follows

31 December 2006 or Date of Resignation 10p Ordinary shares	31 December 2005 or Date of appointment 10p Ordinary shares
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G J Neilly (as per ultimate parent company)

S P Inglis (appointed 31 1 06) (as per intermediate holding company)

S McIntyre and C Rutherford resigned as directors on 31 January 2006

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

The interests of the directors, who are also directors of the intermediate parent company, Intelli Partners Ltd, are shown in the financial statement of that company

The interests of the directors, who are also directors of the ultimate parent company, umia Investment Group plc, are shown in the financial statements of that company

4 DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow directors, each director has taken all the steps that he/she is obliged to take as a director in order to have made himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

INTELLI ESOP LIMITED
DIRECTORS' REPORT Continued

5 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


S McG Cowie
Secretary

21 March 2007

INTELLI ESOP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 that 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 the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF

INTELLI ESOP LIMITED

We have audited the company's financial statements for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. 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 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, are properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with the financial statements.

We also report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 TO THE MEMBERS Continued

OF

INTELLI ESOP LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

21 March 2007



Ernst & Young LLP
Registered Auditor
Exeter

INTELLI ESOP LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2006

	Note	12 mths to 31.12.06 £	8 mths to 31.12.05 £
Administration expenses			3
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	4		(3)
Taxation	5		
RETAINED LOSS FOR THE PERIOD	9		(3)

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

All items in the above statement derive from continuing operations

The notes on pages 9 to 12 form part of these financial statements

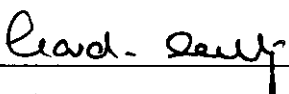
INTELLI ESOP LIMITED

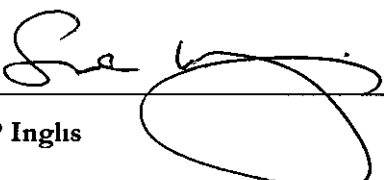
BALANCE SHEET

AT 31 DECEMBER 2006

	Note	31.12.2006 £	31.12.2005 £
CURRENT ASSETS			
Investments	6	84,074	84,074
Other debtors		1	1
Cash at bank and in hand		691	691
		<hr/>	<hr/>
		84,766	84,766
CREDITORS. Amounts falling due within one year	7	84,766	84,766
		<hr/>	<hr/>
NET CURRENT ASSETS			
		<hr/>	<hr/>
NET ASSETS			
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Profit and loss account	9	(1)	(1)
		<hr/>	<hr/>
EQUITY SHAREHOLDER FUNDS	10		
		<hr/>	<hr/>

These financial statements were approved and authorised for issue by the Board of Directors on 21 March 2007

 Director
G J Neilly

 Director
S P Inglis

The notes on pages 9 to 12 form part of these financial statements

INTELLI ESOP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006

1 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

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. Provisions are made for any permanent diminution in value

(c) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. Deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

(d) Cashflow Statement

The company is ultimately wholly owned by umia Investment Group plc 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

2 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 31 DECEMBER 2006

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	12 mths to 31.12.06 £	8 mths to 31.12.05 £
Employee costs during the period	<u> </u>	<u> </u>
Average monthly number of persons employed	<u> 2 </u>	<u> 3 </u>
No Director received any remuneration during the period (December 2005 £Nil)		

4 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	12 mths to 31.12.06 £	8 mths to 31.12.05 £
Loss on ordinary activities before taxation is stated after charging		
Provision for diminution in value of investments		66,055
Waiver of loan from intermediate parent company		(66,055)
Auditors' remuneration	<u> </u>	<u> </u>

The auditors' remuneration is borne by the intermediate parent company

5 TAX ON LOSS 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

	12 mths to 31.12.06 £	8 mths to 31.12.05 £
Loss on ordinary activities before tax	<u> </u>	<u> (3)</u>
Corporate tax at standard rate of 30%		(1)
Effects of:		
Expenses not allowable	<u> </u>	<u> 1</u>
Total current taxation for the period	<u> </u>	<u> </u>

INTELLI ESOP LIMITED

NOTES TO THE FINANCIAL STATEMENTS *Continued*

YEAR ENDED 31 DECEMBER 2006

6 CURRENT ASSET INVESTMENTS

	31.12.2006 £	31.12.2005 £
Cost		
At 1 January 2006	150,129	171,083
Additions		10,821
Disposals		(31,775)
At 31 December 2006	<u>150,129</u>	<u>150,129</u>
Provision		
At 1 January 2006	66,055	
Provided in period		66,055
At 31 December 2006	<u>66,055</u>	<u>66,055</u>
Net book value at 31 December 2006	<u>84,074</u>	<u>84,074</u>

At 31 December 2006 the investment represents 70,062 10p ordinary shares in umia Investment Group plc. The market value of these listed shares at 31 December 2006 was £157,640.

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.2006 £	31.12.2005 £
Amounts due to Intelli Partners Limited	<u>84,766</u>	<u>84,766</u>

The amount due to Intelli Partners Limited represents a zero interest loan and is repayable on demand.

8 CALLED UP SHARE CAPITAL

	31.12.2006 £	31.12.2005 £
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 31 DECEMBER 2006

9 RESERVES

	31.12.2006	31.12.2005
	£	£
Profit and loss account:		
Balance at 1 January 2006	(1)	2
Loss for the period		(3)
	<hr/>	<hr/>
Balance at 31 December 2006	(1)	(1)

10 RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	31.12.2006	31.12.2005
	£	£
Loss on ordinary activities after taxation		(3)
Opening shareholder's funds		3
	<hr/>	<hr/>
Closing shareholder's funds		

11 PARENT COMPANY

The company's immediate parent company is Intelli Corporate Finance Limited which is registered in Scotland and its ultimate parent company is umia Investment Group plc which is registered in England

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 umia Investment Group plc