

Company Registration No. 04859829

**ALTAVIA HTT LIMITED**

**Report and Financial Statements**

**31 December 2010**

**Deloitte LLP  
Leeds**

**WEDNESDAY**



A73 \*ANNU2SV3\* 30/03/2011 76  
COMPANIES HOUSE

---

**ALTAVIA HTT LIMITED**

**2010 REPORT AND FINANCIAL STATEMENTS**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>4</b>
<b>Independent auditors' report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Cashflow statement</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9</b>

---

# **ALTAVIA HTT LIMITED**

## **2010 REPORT AND FINANCIAL STATEMENTS**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

James Reid  
Robert North  
Paul D Ballinger  
Lorenzo Bertagnolo  
Raphael Palti  
Laurent Saumon  
Sebastian Reydon

#### **SECRETARY**

James Reid

#### **REGISTERED OFFICE**

Unit 4 Park Square  
Newton Chambers Road  
Thorncliffe Park  
Chapelton  
Sheffield  
S35 2PH

#### **AUDITORS**

Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Leeds

#### **BANKERS**

The Royal Bank of Scotland plc  
Corporate Banking  
3<sup>rd</sup> Floor  
2 Whitehall Quay  
Leeds  
LS1 4HR

# ALTAVIA HTT LIMITED

## DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 31 December 2010

### PRINCIPAL ACTIVITY AND BUSINESS REVIEW

Principal activity of the company continued to be that of print management. During the year Turnover has increased by £2.6m due to the company having won new contracts and increased sales to existing customers which is forecast to continue to drive growth throughout 2011. The net effect of these new contracts has increased the pre tax profit to £1,018,000 (2009 £876,000)

The net assets of the company have increased by £63,000 to £919,000 due to the profit made by the company and the dividend that has been paid

### RESULTS AND DIVIDENDS

The results for the year are set out on page 6

The directors paid a dividend of £622,000 (2009 £400,000)

The key performance indicators of the Company for the financial year were

	2010	2009
Sales growth (1)	14.1%	23.6%
Margin (2)	20.4%	12.6%
Working Capital (3)	£888,000	£823,000

(1) Sales growth

(2) Gross profits are as presented in the financial statements

(3) Net current assets as presented in the financial statements

Sales and margins continued to increase at acceptable levels during the period

### DIRECTORS

The directors who served during the year and subsequently were as follows

James Reid  
Robert North  
Paul D Ballinger  
Lorenzo Bertagnolio  
Raphael Palti  
Laurent Saumon  
Sebastian Reydon

### CHARITABLE AND POLITICAL CONTRIBUTIONS

During the year the company made charitable donations of £729 (2009 £465), principally to local charities serving communities in which the group operates. No political donations were made in the year (2009 Nil)

# ALTAVIA HTT LIMITED

## DIRECTORS' REPORT continued

### GOING CONCERN

In determining whether the Company's 2010 Accounts can be prepared on a going concern basis, the Directors considered all factors likely to affect its future development, performance and its financial position, including uncertainties relating to cash flows, liquidity position and its trading activities

The key factors considered by the directors were as follows

- the implications of the challenging economic environment and the effect that this has on demand from customers,
- the impact of the competitive environment within which the Company operates,
- the credit risk associated with Company's trade receivable balances, and
- the potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected,

After making enquiries, the Directors have formed a judgement, at the time of approving the Accounts, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements

### AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that

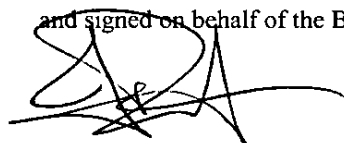
- so far each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

Approved by the Board of Directors

and signed on behalf of the Board



James Reid  
Secretary

22nd March 2011

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Annual Report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALTAVIA  
HTT LIMITED**

We have audited the financial statements of Altavia HTT Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

David Johnson BA, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Leeds, United Kingdom  
23 March 2011

# ALTAVIA HTT LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 2010

	Note	2010 £'000	2009 £'000
<b>TURNOVER</b>	2	21,337	18,695
Cost of sales		(18,508)	(16,346)
<b>GROSS PROFIT</b>		2,829	2,349
Distribution costs		(395)	(336)
Administrative expenses		(1,422)	(1,140)
<b>OPERATING PROFIT</b>	3	1,012	873
Other interest receivable and similar income		6	3
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,018	876
Tax on profit on ordinary activities	6	(323)	(253)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		695	623

The accompanying notes are an integral part of this profit and loss account

There are no recognised gains or losses other than as reported above therefore no separate statement of recognised gains and losses has been presented. All results arose from continuing activities.



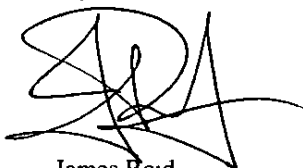
# ALTAVIA HTT LIMITED

## BALANCE SHEET 31 December 2010

	Notes	2010 £'000	2009 £'000
<b>FIXED ASSETS</b>			
Intangible assets	8	12	14
Tangible assets	9	19	19
		<u>31</u>	<u>33</u>
<b>CURRENT ASSETS</b>			
Debtors	10	4,338	2,898
Cash at bank and in hand		1,508	2,305
		<u>5,846</u>	<u>5,203</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	(4,958)	(4,380)
<b>NET CURRENT ASSETS</b>		<u>888</u>	<u>823</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>919</u>	<u>856</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	12	1	1
Profit and loss account	13	918	855
		<u>919</u>	<u>856</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	13	<u>919</u>	<u>856</u>

These financial statements of Altavia HTT Limited (company number 04859829) were approved by the Board of Directors on ~~12~~ March 2011

Signed on behalf of the Board of Directors



James Reid

Director

The accompanying notes are an integral part of this balance sheet

# ALTAVIA HTT LIMITED

## CASHFLOW STATEMENT 31 December 2010

	Note	2010 £'000	2009 £'000
Net cash inflow from operating activities	17	119	2,398
Taxation		288	(153)
Capital expenditure and financial investment		(12)	(11)
Equity dividends paid		(622)	(400)
Cash inflow before financing		(803)	1,834
Financing		6	3
(Decrease) / Increase in cash in the period		(797)	1,837

### ANALYSIS AND RECONCILIATION OF MOVEMENT IN NET FUNDS

	2010 £'000	2009 £'000
OPENING NET FUNDS	2,305	468
Decrease in cash in the period	(797)	1,837
CLOSING NET FUNDS	1,508	2,305

# ALTAVIA HTT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

### 1. ACCOUNTING POLICIES

The principal accounting policies are set out below. The accounting policies have been applied consistently throughout the year and the preceding year.

#### **Basis of accounting**

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

The accounts have been prepared on the going concern basis as set out in the directors' report.

#### **Turnover**

Turnover represents the total invoice value excluding value added tax and trade discounts, of sales made during the year.

Revenue is recognised on shipment of goods to customers.

#### **Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixture, fitting and equipment	25% straight line basis
Computer equipment	25% straight line

#### **Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **Taxation**

UK corporation tax payable is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# ALTAVIA HTT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2010

### 1. ACCOUNTING POLICIES (continued)

#### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of transactions. All differences are taken to the profit and loss account.

#### Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### Treatment of distribution costs

In the current year it has been deemed more appropriate to show salaries for sales staff and other associated costs as distribution costs rather than administrative expenses. This change in treatment has led to a reduction in administrative expenses of £395,000 (2009 £336,000). These changes have no effect on operating profit, cash flows or net assets.

### 2. TURNOVER

Geographical market	2010 £'000	2009 £'000
UK	19,815	17,728
Europe	1,522	955
Rest of World	-	12
	<u>21,337</u>	<u>18,695</u>

All sales arose from the company's principle activity.

### 3. OPERATING PROFIT

Operating profit is stated after charging / (crediting)

	2010 £'000	2009 £'000
Amortisation and other amounts written off intangible fixed assets	2	2
Depreciation and other amounts written off tangible fixed assets	12	11
Exchange differences	(3)	(29)
Operating lease rentals		
- land and buildings	56	37
- Motor vehicles	30	47
Auditors' remuneration	12	11
	<u></u>	<u></u>

The analysis of auditor's remuneration is as follows

	2010 £'000	2009 £'000
Fees payable to the company's auditors for the audit of the company's annual accounts	12	11
	<u></u>	<u></u>

# ALTAVIA HTT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2010

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The average monthly number of employees (including directors) was 14 (2009 13)

Their aggregate remuneration comprised	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	994	809
Social security costs	117	101
Other pension costs	50	40
	<u>1,161</u>	<u>950</u>

The remuneration of the directors was as follows

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Remuneration and other emoluments	411	372
Pension contributions	35	29
	<u>446</u>	<u>401</u>

#### *Highest-paid director*

The above amounts for remuneration include the following in respect of the highest paid director

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Emoluments and other benefits	186	168
Pension contributions	19	16
	<u>205</u>	<u>184</u>

#### *Pensions*

Number of directors whom retirement benefits are accruing under a money purchase scheme

	<b>2010</b>	<b>2009</b>
	<b>Number</b>	<b>Number</b>
Money purchase scheme	<u>3</u>	<u>3</u>

### 5 PENSION COSTS

The company operates a defined contribution pension scheme in respect of the employees and the directors of the company. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £50,000 (2009 £40,000)

There was nil outstanding as at the balance sheet date (2009 £14,000)

# ALTAVIA HTT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2010

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises

	2010 £'000	2009 £'000
<b>Current tax</b>		
UK corporation tax	288	253
Total current tax charge	<u>288</u>	<u>253</u>
Adjustment to tax charge in respect of previous periods	35	-
Tax on profit on ordinary activities	<u>323</u>	<u>253</u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2010 £'000	2009 £'000
<b>Profit on ordinary activities before tax</b>	<u>1,018</u>	<u>875</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 28% (2009 – 28%)	285	245
<b>Effects of:</b>		
Expenses not deductible for tax purposes	7	27
Capital allowances in excess of depreciation	-	-
Depreciation in excess of capital allowances	-	(1)
Utilisation of tax losses	(4)	(8)
Marginal relief	-	(10)
Adjustment to tax charge in respect of previous periods	35	-
Current tax charge for period	<u>323</u>	<u>253</u>

#### Factors that may affect future tax charges

A potential deferred tax asset of £2,000 (2009 £2,000) relating to fixed asset timing differences and other short term differences has not been recognised on the grounds that it is not deemed recoverable under Financial Reporting Standard No 19

### 7. DIVIDENDS

	2010 £'000	2009 £'000
<b>Amounts recognised as distributions to equity holders in the year:</b>		
Interim dividend paid for the year ended 31 December 2010 of 64 792p (2009 41,667p)	<u>622</u>	<u>400</u>

The final dividend for the year ended 31 December 2010 has yet to be finalised and has not been included as a liability in these financial statements

# ALTAVIA HTT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2010

### 8. INTANGIBLE ASSETS

	Goodwill £'000
<b>Cost</b>	
At 1 January 2010 and 31 December 2010	22
<b>Depreciation</b>	
At 1 January 2010	8
Charge for the year	2
At 31 December 2010	10
<b>Net book value</b>	
At 31 December 2010	12
At 31 December 2009	14

### 9. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £'000	Computer equipment £'000	Total £'000
<b>Cost</b>			
At 1 January 2010	16	61	77
Additions	5	7	12
At 31 December 2010	21	68	89
<b>Depreciation</b>			
At 1 January 2010	16	42	58
Charge for the year	1	11	12
At 31 December 2010	17	53	70
<b>Net book value</b>			
At 31 December 2010	4	15	19
At 31 December 2009	-	19	19

### 10. DEBTORS

	2010 £'000	2009 £'000
Trade debtors	4,061	2,583
Amounts owed by group undertakings	31	8
Other debtors	97	52
Prepayments and accrued income	149	255
	4,338	2,898

# ALTAVIA HTT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2010

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

	2010 £'000	2009 £'000
Trade creditors	3,751	3,645
Amounts owed to group undertakings	277	121
Corporation tax	288	253
Other taxation and social security	31	23
Accruals and deferred income	611	338
	<u>4,958</u>	<u>4,380</u>

### 12. CALLED-UP SHARE CAPITAL

	2010 £	2009 £
<b>Authorised</b>		
960 ordinary shares of £1 each	<u>960</u>	<u>960</u>
<b>Allotted, called-up and fully paid</b>		
960 ordinary shares of £1 each	<u>960</u>	<u>960</u>

### 13. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2010 £'000	2009 £'000
Profit for the financial year	695	622
Dividends (note 7)	(622)	(400)
Net addition to shareholders' funds	<u>73</u>	<u>222</u>
Opening equity shareholders' funds	<u>846</u>	<u>634</u>
Closing equity shareholders' funds	<u>919</u>	<u>856</u>

### 14. FINANCIAL COMMITMENTS

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Expiry date				
Within one year	56	10	24	16
Between one and five years	-	16	2	23
	<u>56</u>	<u>26</u>	<u>26</u>	<u>39</u>



# ALTAVIA HTT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

### 15. RELATED PARTY TRANSACTIONS

During the year the Company made sales and purchases in the ordinary course of business to/from the companies shown below. These amounts all relate to trading balances.

#### 2010 Analysis

Related party	Relationship	Nature of transaction	Amount Dr/(Cr) 000's	Year-end Dr/(Cr) 000's
Altavia SA	Parent company	Goodwill on investment	-	(22)
Altavia SA	Parent company	Management charges	245	(54)
Altavia Belgium	Associated undertaking	Sale of services	(4)	-
Altavia Paris	Associated undertaking	Sale of services	(10)	-
Altavia Connect	Associated undertaking	Purchase of services	768	(127)
		Sale of services	(144)	28

#### 2009 Analysis

Related party	Relationship	Nature of transaction	Amount Dr/(Cr) 000's	Year-end Dr/(Cr) 000's
Altavia SA	Parent company	Goodwill on investment	-	(22)
Altavia SA	Parent company	Management charges	245	(54)
Altavia Deutschland	Associated undertaking	Sale of services	-	-
Altavia Paris	Associated undertaking	Sale of services	(18)	-
Altavia Connect	Associated undertaking	Purchase of services	521	(37)
		Sale of services	(124)	-

### 16. ULTIMATE PARENT AND CONTROLLING PARTY

The company's immediate / ultimate parent company and controlling party is Altavia Europe SA, a company incorporated in France. Copies of the consolidated financial statement, in which the company is included, are available from its registered office 1 rue Rembrandt, 75008, Paris, France.

Altavia Europe SA is the smallest and the largest group for which group accounts are prepared and which includes Altavia HTT Limited in its consolidated financial statements.

Altavia Europe SA controls the Company as a result of controlling, directly, 80% per cent of the issued share capital of the Company.

### 17. RECONCILIATION OF OPERATING PROFITS TO OPERATING CASHFLOWS

	2010 £'000	2009 £'000
Operating profit	1,012	873
Depreciation and amortisation	14	13
Increase in debtors	(1,440)	17
Increase in creditors	543	1,496
Foreign exchange	(10)	-
<b>Net cash inflow from operating activities</b>	<b>119</b>	<b>2,399</b>