

Company Registration No 2526028 (England and Wales)

ENTA TECHNOLOGIES LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2010



ENTA TECHNOLOGIES LIMITED

COMPANY INFORMATION

Director	Jason Tsai
Secretary	John Tsai
Company number	2526028
Registered office	Stafford Park 6 Telford TF3 3AT
Auditors	Simmons Gainsford LLP 5th Floor 7/10 Chandos Street London W1G 9DQ
Business address	Stafford Park 6 Telford TF3 3AT

ENTA TECHNOLOGIES LIMITED

CONTENTS

	Page
Director's report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Cash flow statement	8
Notes to the cash flow statement	9
Notes to the financial statements	10 - 20

ENTA TECHNOLOGIES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 OCTOBER 2010

The director presents his report and financial statements for the year ended 31 October 2010

Principal activities and review of the business

The principal activity of the company continued to be that of distribution of computer hardware, software and the new CCTV product range

Review of business

The company has again increased turnover in this financial year to £99,388,125 compared to the previous year of £84,200,661. The gross margin is marginally down at 4.79% (2009 5.67%). The competition and overall UK market growth has been challenging. We continue to be No 1 authorised distributor for Microsoft OEM and seen huge growth in our recent Microsoft Retail franchise which was won last year. The focus throughout 2010 and through 2011 is to partner with suppliers which give good margin opportunities with possible 'exclusive' UK franchises. This has borne fruit with many of our existing suppliers and will continue as a focus moving forward. The growth of our CCTV channel continues with the signing of Merit Lillin a Global business in security and Secure Sight, an exclusive partnership for Enta for the UK market.

Further developments with our supplier chain include the promotion of Entatech to 'Elite' status with global CPU/GPU manufacturer AMD. This status gives us increased rebates and also stock allocation. Our growth with Intel continues with Entatech being their largest D2 distribution partner in Europe (only D2 in UK) and shortly, Entatech will receive direct shipments from Intel.

During the financial year we are once again proud to receive an award from the readers of PC retail magazine for Distribution Best Sales Team. This award has now been presented to Entatech four years running, a fantastic accolade. The director and management team would like to thank all our business partners and loyal staff for their continued support and enthusiasm.

The company insures against delinquent debts to minimise the likelihood of undesirable impact to the business. The company has various processes in place to manage and control effectively the stock, credit and financial management functions.

The key risks to the business are mainly credit level extended to the channel as previous challenges such as price fluctuations have been minimised due to negotiations with new and existing suppliers to ensure the company is not financially penalised.

The director remains optimistic about the future and will continue to focus to increase market share in Europe and higher margin products through established specialised sales teams. The combination of our core infrastructure of personnel, continued enthusiasm, extensive product portfolio and focus on margin means the company is ideally positioned to satisfy all our customers' requirements.

Results and dividends

The results for the year are set out on page 5.

Director

The following director has held office since 1 November 2009

Jason Tsai

Auditors

In accordance with the Company's Articles, a resolution proposing that Simmons Gainsford LLP be reappointed as auditors of the company will be put at a General Meeting.

ENTA TECHNOLOGIES LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Statement of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Jason Tsai

Director

25 July 2011

ENTA TECHNOLOGIES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ENTA TECHNOLOGIES LIMITED

We have audited the financial statements of Enta Technologies Limited for the year ended 31 October 2010 set out on pages 5 to 20. 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 director and auditors

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's 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 and are properly prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the director's report is consistent with the financial statements.

In addition we 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 director's remuneration and other transactions is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 director, 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 October 2010 and of its profit for the year then ended,
- have been prepared in accordance with the requirements of 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.

Opinion on other matter prescribed by the Companies Act 2006

the information given in the director's report is consistent with the financial statements.

ENTA TECHNOLOGIES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ENTA TECHNOLOGIES LIMITED

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



H Ming Sze FCA (Senior Statutory Auditor)
for and on behalf of Simmons Gainsford LLP

25 July 2011

Chartered Accountants
Statutory Auditor

5th Floor
7/10 Chandos Street
London
W1G 9DQ

ENTA TECHNOLOGIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2010

	Notes	2010 £	2009 £
Turnover	2	99,388,125	84,200,661
Cost of sales		(94,627,698)	(79,425,956)
Gross profit		4,760,427	4,774,705
Distribution costs		(761,368)	(656,954)
Administrative expenses		(3,842,751)	(4,257,333)
Other operating income		339,328	508,484
Operating profit	3	495,636	368,902
Other interest receivable and similar income	4	1,245	10,461
Interest payable and similar charges	5	(88,503)	(8,866)
Profit on ordinary activities before taxation		408,378	370,497
Tax on profit on ordinary activities	6	(135,244)	(97,443)
Profit for the year	16	273,134	273,054

The profit and loss account has been prepared on the basis that all operations are continuing operations

ENTA TECHNOLOGIES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 OCTOBER 2010

	Notes	2010 £	2009 £
Profit for the financial year		273,134	273,054
Adjustment for previous years		(26,685)	-
Total recognised gains and losses relating to the year		<u>246,449</u>	<u>273,054</u>

ENTA TECHNOLOGIES LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2010

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	7	2,809,646		3,013,714	
Investments	8		124		124
			<u>2,809,770</u>		<u>3,013,838</u>
Current assets					
Stocks	9	7,024,804		6,251,350	
Debtors	10	9,430,525		6,567,453	
Cash at bank and in hand		511,995		1,977,233	
			<u>16,967,324</u>		<u>14,796,036</u>
Creditors amounts falling due within one year	11	<u>(14,429,404)</u>		<u>(11,626,279)</u>	
Net current assets			<u>2,537,920</u>		<u>3,169,757</u>
Total assets less current liabilities			<u>5,347,690</u>		<u>6,183,595</u>
Creditors amounts falling due after more than one year	12		<u>(1,545,219)</u>		<u>(2,627,573)</u>
			<u>3,802,471</u>		<u>3,556,022</u>
Capital and reserves					
Called up share capital	15	530,000		530,000	
Revaluation reserve	16	329,134		355,819	
Profit and loss account	16	2,943,337		2,670,203	
Shareholders' funds	17		<u>3,802,471</u>		<u>3,556,022</u>

Approved by the Board and authorised for issue on 25 July 2011

Jason Tsai
Director



Company Registration No 2526028

ENTA TECHNOLOGIES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2010

	£	2010 £	£	2009 £
Net cash (outflow)/inflow from operating activities		(2,761,821)		508,416
Returns on investments and servicing of finance				
Interest received	1,245		10,461	
Interest paid	(52,062)		(6,117)	
Interest element of finance lease rentals	(36,320)		-	
Net cash (outflow)/inflow for returns on investments and servicing of finance		(87,137)		4,344
Taxation		(129,928)		(85,497)
Capital expenditure				
Payments to acquire tangible assets	(42,796)		(52,343)	
Net cash outflow for capital expenditure		(42,796)		(52,343)
Net cash (outflow)/inflow before management of liquid resources and financing		(3,021,682)		374,920
Financing				
New finance lease	-		78,392	
Repayment of other long term loans	(862,567)		(282,745)	
Capital element of finance lease contracts	(397,141)		(397,143)	
Net cash outflow from financing		(1,259,708)		(601,496)
Decrease in cash in the year		(4,281,390)		(226,576)

ENTA TECHNOLOGIES LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2010

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2010	2009
		£	£
	Operating profit	495,636	368,902
	Depreciation of tangible assets	220,178	250,569
	Increase in stocks	(773,454)	(1,469,234)
	(Increase)/decrease in debtors	(2,849,352)	879,481
	Increase in creditors within one year	145,171	478,698
	Net cash (outflow)/inflow from operating activities	<u>(2,761,821)</u>	<u>508,416</u>

2	Analysis of net debt	1 November 2009	Cash flow	Other non-cash changes	31 October 2010
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,977,233	(1,465,238)	-	511,995
	Bank overdrafts	(15,318)	(2,816,152)	-	(2,831,470)
		<u>1,961,915</u>	<u>(4,281,390)</u>	<u>-</u>	<u>(2,319,475)</u>
	Bank deposits	-	-	-	-
	Debt				
	Finance leases	(721,668)	397,142	-	(324,526)
	Debts falling due after one year	(2,303,048)	862,567	-	(1,440,481)
		<u>(3,024,716)</u>	<u>1,259,709</u>	<u>-</u>	<u>(1,765,007)</u>
	Net debt	<u>(1,062,801)</u>	<u>(3,021,681)</u>	<u>-</u>	<u>(4,084,482)</u>

3	Reconciliation of net cash flow to movement in net debt	2010	2009
		£	£
	Decrease in cash in the year	(4,281,390)	(226,576)
	Cash outflow from decrease in debt and lease financing	1,259,709	679,888
	Change in net debt resulting from cash flows	<u>(3,021,681)</u>	453,312
	New finance lease	-	(78,392)
	Movement in net debt in the year	<u>(3,021,681)</u>	374,920
	Opening net debt	(1,062,801)	(1,437,721)
	Closing net debt	<u>(4,084,482)</u>	<u>(1,062,801)</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	Straight line over forty years
Fixtures, fittings & equipment	20% straight line
Motor vehicles	15% straight line

1.4 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.8 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

1 Accounting policies

(continued)

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover and profit on ordinary activities before taxation

Class of business	Turnover	
	2010	2009
	£	£
Sales of computer	99,388,125	84,200,661
	<u>99,388,125</u>	<u>84,200,661</u>

Geographical market

	Turnover	
	2010	2009
	£	£
United Kingdom	60,175,315	58,459,009
EC	39,212,810	25,741,652
	<u>99,388,125</u>	<u>84,200,661</u>

3 Operating profit

	2010	2009
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	220,178	250,569
Loss on foreign exchange transactions	-	286,034
Operating lease rentals		
- Plant and machinery	5,407	-
Fees payable to the company's auditor for the audit of the company's annual accounts	16,347	48,000
and after crediting		
Profit on foreign exchange transactions	<u>(464,337)</u>	<u>-</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

4	Investment income	2010	2009
		£	£
	Bank interest	857	10,461
	Other interest	388	-
		<hr/>	<hr/>
		1,245	10,461
		<hr/> <hr/>	<hr/> <hr/>
5	Interest payable	2010	2009
		£	£
	On bank loans and overdrafts	52,062	6,117
	Lease finance charges	36,320	-
	On overdue tax	121	2,749
		<hr/>	<hr/>
		88,503	8,866
		<hr/> <hr/>	<hr/> <hr/>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

6 Taxation	2010 £	2009 £
Domestic current year tax		
U K corporation tax	148,964	129,926
Total current tax	148,964	129,926
Deferred tax		
Deferred tax charge/credit current year	(13,720)	(32,483)
	<u>135,244</u>	<u>97,443</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>408,378</u>	<u>370,497</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 - 28.00%)	<u>114,346</u>	<u>103,739</u>
Effects of		
Non deductible expenses	17,435	5,749
Depreciation add back	61,649	70,159
Capital allowances	(28,523)	(32,658)
Small companies relief	(15,943)	(17,063)
	<u>34,618</u>	<u>26,187</u>
Current tax charge for the year	<u>148,964</u>	<u>129,926</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

7 Tangible fixed assets

	Land and buildings Freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 November 2009	3,618,566	946,678	95,540	4,660,784
Additions	-	42,796	-	42,796
Disposals	-	-	(15,442)	(15,442)
At 31 October 2010	<u>3,618,566</u>	<u>989,474</u>	<u>80,098</u>	<u>4,688,138</u>
Depreciation				
At 1 November 2009	955,387	599,768	91,916	1,647,071
Adjustment to previous years	26,685	-	-	26,685
On disposals	-	-	(15,442)	(15,442)
Charge for the year	<u>69,308</u>	<u>147,246</u>	<u>3,624</u>	<u>220,178</u>
At 31 October 2010	<u>1,051,380</u>	<u>747,014</u>	<u>80,098</u>	<u>1,878,492</u>
Net book value				
At 31 October 2010	<u>2,567,186</u>	<u>242,460</u>	-	<u>2,809,646</u>
At 31 October 2009	<u>2,663,180</u>	<u>346,910</u>	<u>3,624</u>	<u>3,013,714</u>

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment £
Net book values	
At 31 October 2010	<u>22,140</u>
At 31 October 2009	<u>28,318</u>
Depreciation charge for the year	
At 31 October 2010	<u>6,178</u>
At 31 October 2009	<u>2,574</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2010

8 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 November 2009 & at 31 October 2010	124
Net book value	
At 31 October 2010	124
At 31 October 2009	124

9 Stocks

	2010 £	2009 £
Finished goods and goods for resale	7,024,804	6,251,350

10 Debtors

	2010 £	2009 £
Trade debtors	8,100,417	6,113,829
Other debtors	581,749	32,436
Prepayments and accrued income	702,156	388,705
Deferred tax asset (see note 13)	46,203	32,483
	<u>9,430,525</u>	<u>6,567,453</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2010

11 Creditors: amounts falling due within one year	2010 £	2009 £
Bank loans and overdrafts	2,831,470	15,318
Net obligations under finance leases	219,788	397,143
Trade creditors	9,241,058	8,135,022
Corporation tax	148,725	129,689
Other taxes and social security costs	74,132	804,360
Other creditors	793,825	1,271,532
Accruals and deferred income	1,120,406	873,215
	<u>14,429,404</u>	<u>11,626,279</u>

Bank loans represent borrowings under RBS Invoice Discounting agreement of 3 February 2010 which allows prepayment facility of £4,000,000 (2009 £nil) The borrowings carry a margin of 2.00% per transaction This loan facility is secured by way of fixed and floating charges on all company assets and also cross company guarantee by parent company, Enta UK Limited and third party, Entanet International Limited

12 Creditors: amounts falling due after more than one year	2010 £	2009 £
Other loans	1,440,481	2,303,048
Net obligations under finance leases	104,738	324,525
	<u>1,545,219</u>	<u>2,627,573</u>
Analysis of loans		
Wholly repayable within five years	<u>1,440,481</u>	<u>2,303,048</u>
	<u>1,440,481</u>	<u>2,303,048</u>
Loan maturity analysis		
In more than two years but not more than five years	<u>1,440,481</u>	<u>2,303,048</u>
Net obligations under finance leases		
Repayable between one and five years	324,526	721,668
	324,526	721,668
Included in liabilities falling due within one year	<u>(219,788)</u>	<u>(397,143)</u>
	<u>104,738</u>	<u>324,525</u>

Other loans amounting to £1,440,481 (2009 £2,303,048) are interest free The loans are not secured and have no fixed date of repayment

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2010

13 Provisions for liabilities

The deferred tax asset (included in debtors, note 10) is made up as follows

	2010 £
Balance at 1 November 2009	(32,483)
Profit and loss account	(13,720)
Balance at 31 October 2010	<u>(46,203)</u>

	2010 £	2009 £
Decelerated capital allowances	<u>(46,203)</u>	<u>(32,483)</u>

14 Pension and other post-retirement benefit commitments Defined contribution

	2010 £	2009 £
Contributions payable by the company for the year	<u>24,754</u>	<u>22,382</u>

15 Share capital

	2010 £	2009 £
Allotted, called up and fully paid 530,000 Ordinary shares of £1 each	<u>530,000</u>	<u>530,000</u>

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

16 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 November 2009	355,819	2,670,203
Profit for the year	-	273,134
Adjustment to previous years	(26,685)	-
Balance at 31 October 2010	<u>329,134</u>	<u>2,943,337</u>

17 Reconciliation of movements in shareholders' funds

	2010	2009
	£	£
Profit for the financial year	273,134	273,054
Other recognised gains and losses	(26,685)	-
Net addition to shareholders' funds	246,449	273,054
Opening shareholders' funds	3,556,022	3,282,968
Closing shareholders' funds	<u>3,802,471</u>	<u>3,556,022</u>

18 Contingent liabilities

At the balance sheet date the company has contingent liabilities in respect of forward currency contract amounting to £3,354,000 (2009 £4,744,000)

During the year ended 31 October 2010, the company has been assisting HM Revenue and Customs in their examination of VAT claims

Having received and considered opinions of our legal and tax advisers, the director does not anticipate further tax liabilities and accordingly no provision is included in the financial statements

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

19 Financial commitments

At 31 October 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 October 2011

	Other	
	2010	2009
	£	£
Operating leases which expire		
Between two and five years	324,526	721,668

The above agreements were taken in financing computer equipments, which are currently loaned to Entanet International Limited. All financing charges have been recovered in full.

20 Director's remuneration

	2010	2009
	£	£
Remuneration for qualifying services	65,325	44,000

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2010	2009
	Number	Number
Management and administration	34	33
Marketing and sales	40	38
Warehouse and production	28	28
	102	99

Employment costs

	2010	2009
	£	£
Wages and salaries	2,341,117	2,140,140
Social security costs	220,780	206,628
Other pension costs	24,754	22,382
	2,586,651	2,369,150

ENTA TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2010

22 Control

Enta Technologies Limited is a wholly owned subsidiary of Enta UK Limited, a company registered in England and Wales