

# PREFACE OF THE COMPANY EXECUTIVE



Dear Ladies and Gentlemen,

let me say a few words to introduce the annual report of the BIC Spišská Nová Ves, s.r.o. for the year 2005.

I assess the year 2005 as a successful one. Throughout the whole year the company provided the business start-ups and existing small and medium-sized enterprises with a large scale of services such as consulting, education, provision of microloans, and project development services. The company in cooperation with the Municipality of Spišská Nová Ves realised the management of the Industrial Park. It also made the local television broadcasting for the citizens of Spišská Nová Ves and its surroundings.

The company was successful in the Sectoral Operational Programme Human Resources, in the scope of which it obtained financial support from the European Social Fund. Already in January 2005 it could start with the implementation of the project „Štart v sprievode“ (Accompanied Start) - intensive preparation and complex consultancy service during the first stages of business life. In April 2005 the project „Reintegration of women on labour market“ was completed and in February 2005 work on economic and social development programme of the Municipality of Spišská Nová Ves was successfully brought to the end. The company participated as a partner in several projects such as the project „Improving the conditions for direct foreign investment inflow“ to the Košice self-governing region (PROFIK), project TRATOKI - Transregional Toolkit for Microenterprises, Tourist region Galmus: network of walking, cycling and skiing trails, the implementation of which are still in progress. The project developed by our company named as „Business infrastructure support in the Košice self-governing region“: II. stage of construction of the Business incubator in Spišská Nová Ves was successful, which enabled the Municipality of Spišská Nová Ves to obtain financial support from the ERDF in the amount of nearly SKK 27 mil. for extension of the existing incubator. In the year 2005 new manufacturing halls in the Industrial Park were completed and approved. Consequently interested foreign investors were placed within these premises. At the same time administrative building was offered for rent; by the end of the year almost 90 per cent of the offered office rooms were used. The television obtained prolongation of television broadcasting licence up to 31. 12. 2008. The TV Reduta was gradually improv-

1. ing its technical equipment throughout the whole year. It purchased non-linear edition, video processing, and audio-signal machines. TV Reduta turned to non-linear picture and sound processing by installing the software for broadcasting automation.

In 2005 the company BIC Spišská Nová Ves s.r.o. achieved favourable economic results. The company's total revenues made more than SKK 12 mil., which is the most in its history. As a result the company achieved net profit in the sum of SKK 593.000.

Thanks belong to all employees of our company who have endeavoured to create the company's success. I highly value their abilities, knowledge, and professional approach to customers.

I would like to thank all our business partners, co-operating institutions for their trust and collaboration since with their help all the projects and activities were successfully implemented.

I firmly believe we will keep on providing both entrepreneurs and public sector institutions with the high quality services in order to make our clients, partners and colleagues satisfied, since our main objective is their satisfaction.

Ing. Katarína Krotáková  
company executive

## CONTENT

PREFACE OF  
THE COMPANY EXECUTIVE – 1

COMPANY'S  
PROFILE – 3

PROGRESS REPORT  
OF THE COMPANY  
IN INDIVIDUAL DEPARTMENTS – 12

COMPANY'S RESULTS  
FOR THE YEAR 2005 – 31

CONTACT – 36

# COMPANY'S PROFILE

## 2.

### 2.1 COMPANY'S MISSION AND VISION

#### MISSION

Sustainable social and economic development of the Central Spiš region through practical support and promotion of small and medium-sized enterprises.

#### VISION

- to become a complex consultancy-educational and regional centre for enterprise and regional development support
- to become a lifelong educational centre
- to become an information-consultancy centre for foreign investors in the region
- to maintain its position on the regional market

### 2.2 BASIC INFORMATION ABOUT THE COMPANY

Name of company	BIC Spišská Nová Ves, s.r.o. (Ltd.)
Head office	Zimná 72, 052 01 Spišská Nová Ves
Company's ID number	31659969
Legal form	Ltd.
Registered under	Trade Register of the District Court Košice I, series: s.r.o., ins. Nr. 2072/V
Date of foundation	14 October 1992
Ownership	Municipality of Spišská Nová Ves
Scope of business activities	<ul style="list-style-type: none"><li>– advisory and consultancy services</li><li>– trainings and educational programmes</li><li>– microloan programme</li><li>– regional projects</li><li>– preparing and processing projects responding to the public calls within grant schemes and structural funds</li><li>– Industrial Park management</li><li>– non-housing premises rental</li><li>– local TV broadcasting and Teletext broadcasting</li><li>– advertising activities</li></ul>



## 2.

Departments	BIC (since 1992) TV Reduta (since 2001) Industrial Park (since 2002)
Company's clients	a) small and medium entrepreneurs – potential entrepreneurs – business start-ups – existing entrepreneurs  b) public sector – local and regional self-governments – non-profit associations
Regional activities	The company operates in the Central Spiš region. Its services are available for the clients from the Spišská Nová Ves, Gelnica, Levoča, and Rožňava districts
Membership of the	BIC SPIŠSKÁ NOVÁ VES Ltd.  – EBN member since 1999 (EBN is an international organization of business innovation centres based in Brussels)  – member of a network of consultancy centres of the National Agency for SME's Development of Small and Median- sized Enterprises based in Bratislava  – member of National Association for Business Development in Slovakia  – major member of the association Business Incubator Spišská Nová Ves  – member of the association The Spiš Regional Development Agency  TV REDUTA, as one of the departments of the company, is a member of LOTOS (Local TV Stations Association)

## 2.

### 2.3 EXTERNAL RELATIONSHIPS

Implementing its projects, the BIC Spišská Nová Ves, s.r.o. closely collaborates with numerous subjects on local, regional and national level:

- National Agency for Development of Small and Medium-sized Enterprises (NADSME)
- Association of Regional Advisory and Information Centers and Business Innovation Centers of Slovakia
- Municipality of Spišská Nová Ves
- state authorities and self-governments in the region
- Office of Labour, Social Matters and Family in Spišská Nová Ves
- UniBanka a.s., outlet Spišská Nová Ves
- The Spiš Regional Development Agency
- Office of Slovak Trade and Industry Chamber in Spišská Nová Ves
- Košice Self- Government County
- Ministry of Labour, Social Affairs and Family of the Slovak Republic
- Ministry of Economy of the Slovak Republic
- Slovak Agency for Development of Investment and Trade
- Slovak Guarantee and Development Bank
- Office of Mental Ownership, SR, Banská Bystrica
- Business Incubator, Spišská Nová Ves
- Social Development Fund - Council of Local Social Inclusion Partnership
- Slovak Trade Chamber
- commercial banks
- small and medium-sized entrepreneurs in the region
- non-profit associations in the region (civil association Rozvoj Spiš, association Združenie Slovenský raj - Juh etc.)

During implementation of its projects the company found foreign partners in Italy, Greece, Poland, Bulgaria, Estonia, Germany, Spain, Great Britain, Hungary, France, Austria and developed interesting cooperation with them.

- SEQUA Bonn, Handwerkskammer Trier (Germany)
- AEP Rzeszow (Poland)
- WEGRE Patras (Greece)
- Comune di Valenzano (Italy)
- CEPAC Soissons (France)
- Ergani Center Thessaloniki (Greece)
- Polyplano Euroconsultants (Greece)
- TecnoPolis Bari (Italy)
- Eurodialogue Association Sofia (Bulgaria)
- Arenduskoda Tapa (Estonia)
- Investitionsbank Berlin (Germany)
- Vienna Business Agency (Austria)
- SIPRO Ferrara (Italy)
- CPEM Marseilles (France)
- Zala County Foundation for Enterprise Promotion (Hungary)
- Malopolska School of Public Administration Krakow (Poland)
- Bidasoa Activa Irun (Spain)
- Yorkshire Enterprise Limited (United Kingdom)



## 2.

### 2.4 HISTORY OF THE COMPANY

1992

BIC Spišská Nová Ves, s.r.o. (Business & Innovation Centre Ltd.) was established as a limited company on 8 September 1992 by articles of partnership between Municipality of Spišská Nová Ves and two natural persons - Ing. Vaclav Stachura and Ing. Peter Ťapák. It was given an entry in the Trade Register on 14 October 1992.

1993

In 1993, Municipality of Spišská Nová Ves financed the first reconstruction of the building at Zimná 72. Once the reconstruction works were completed, the company moved in the building, thus obtaining its own office premises and a boardroom. Mr. Michal Buza became head manager of the company.

1994

BIC Spišská Nová Ves, s.r.o. joined the network of Regional Advisory and Information Centres (RAIC) and Business Innovation Centres (BIC) of Slovakia, coordinated by NADSME.

Based on decision of the General Assembly, Mr. Marián Smorada became the new head manager and executive of the company. At that time, the company already had three full-time employees and several external co-operators.

The Tourist Information Centre demerged from BIC and became an independent entity.

1995

For the first time in its history, the company signed a contract with NADSME on advisory services and training for small and medium entrepreneurs from districts Spišská Nová Ves, Levoča and Gelnica, as well as for those unemployed, who were considering starting a business. BIC provided these services in line with advisory and education agreements valid in years 1995 - 1998, when provided services were financed from PHARE.

In this period, BIC established cooperation with Labour offices in the form of short-term trainings and consultancy for the unemployed.

In January 1995, BIC Spišská Nová Ves, s.r.o. became a member of the Association of RAIC and BIC of Slovakia.

In January 1995, the General Assembly approved Mr. Marián Smorada to become a new partner of the Company.

1996

BIC participated in project "Dynamic Development of Tourism in the Spiš-Gemer Region" which brought about the creation of a unique tourist product - the Gothic Route. The project was implemented in regions Spiš and Gemer. Concrete outcomes of the project comprised publishing an image booklet Spiš - Gemer printed in Slovak, German and English, as well as joint participation at the International Tourist Fair in Leipzig with own stall and programme, elaboration of a catalogue of boarding and accommodation facilities, elaboration of tourism development conception in regions Spiš and Gemer, training of tourist advisors, etc.







## 2.

In 1996, BIC participated in implementation of the Comprehensive Educational and Advisory Programme „CEPAC“ based on a decision of the General Assembly of the CEPAC Association Slovakia in Považská Bystrica and on contracts signed between BIC and labour offices in Spišská Nová Ves, Levoča and Gelnica. The course was accredited by the Ministry of Education of Slovakia.

The first course was held from 15 April to 17 June 1996 and it was completed by 13 participants. Participation of BIC in this programme set off intensive cooperation of the company and labour offices in the field of care for those unemployed, who would like to set up own enterprise.

BIC Spišská Nová Ves, s.r.o. became a member of the Association for Development of the Spiš Region, as well as of Spiš Regional Development Agency.

At that time, the company already had five full-time employees, i.e. a head manager, economist, education coordinator, advisor and a secretary.

1997

BIC started to implement project „Strengthening of Advisory Services for Small and Medium Enterprises in Slovakia“ within the TRANSFORM Programme, with financial support of German Ausgleichbank in cooperation with NADSME and networks of RAIC and BIC. The Project objective was to enlarge the offer of advisory services provided by its centres. The project set off realization of long-term advisory services in the field of implementation of quality control systems in line with ISO regulations in companies of Middle Spiš region. The project enlarged services offer of the company, know-how transfer, as well as knowledge and experience exchange. Consultancy was given to companies in presence of both, a Slovak and a German advisor. The project was administered by HWK Trier - the project leader and BIC Spišská Nová Ves, s. r.o. as a regional cooperating partner.

1998

Based on decision of the company's General Assembly, Municipality of Spišská Nová Ves purchased ownership interests from the natural persons and became the only owner of the company. Ing. Katarína Krotáková became company's new executive.

1999

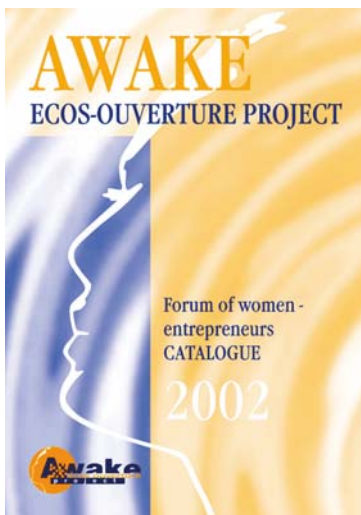
Based on an agreement with NADSME, BIC Spišská Nová Ves, s.r.o. participated on a state support programme for advisory and education services for small and medium entrepreneurs, which was partly financed from the state budget.

In April 1999, „Concept of Development of Small and Medium Enterprises in the District of Spišská Nová Ves“ was elaborated.

In June 1999, BIC became a full member of EBN - an international association of Business Innovation Centres /BIC/ in Europe, which was established in 1984 in Brussels. EBN coordinates international project of its members, with an aim to strengthen the position of individual BICs in their regions.

In May 1999, based on agreement with NADSME, BIC joined the Microloan Programme. Microloans were financed by PHARE. In 1999, the first ten micro-loans were approved in total amount of 3.3 mil. Sk.

From July to August 1999, BIC realized a reconstruction of its premises. Total costs of reconstruction amounted to 333.000 Sk.



## 2.

2000

A colour publication, under the name "Gothic Route Guide" was published within the project „Improving Information Access in the Field of Tourism in the Spiš-Gemer Region“. It was printed with PHARE financial contribution in four languages - Slovak, English, German and Hungarian in total amount of 5 000 copies. The whole project was realized in cooperation with NADSME, Association for Development of Tourism in Spiš-Gemer Region and BIC Spišská Nová Ves, s.r.o.

Another project, which started in 2000, was the project AWAKE. In AWAKE, BIC acted as a financial coordinator, representing all PHARE countries, and the project, which was a part of ECOS-OVERTURE programme, was focused on support of women-entrepreneurs. The project was run between 2000 and 2002.

In the same year, BIC became a participating partner of another project - Sustainable Development of Communities in the Middle Spiš Region (UNDP/UNIDO) together with the association Dignified Life and ETP Košice, which was BIC's general partner. The project's priority was to deal with the problems of Roma community, as well as other disadvantaged communities in the Middle Spiš region.

2001

BIC Spišská Nová Ves, s.r.o. responded to a call of NADSME „Advisory and Education Programme for SME“ to submit project proposals and succeeded in receiving a grant. The project - „Business Support in the Spiš Region“ was implemented in the period between November 2001 and December 2002. It included wide range services offer: information and consultancy services, trainings and seminars for our clients.

Within the Pilot Grant Scheme for Tourism administered by the Ministry of Economy, BIC received two grants for elaboration of projects - „Pre-feasibility Study of the Micro-region Mlynky and Surroundings“ and „Development Strategy of the Tourist Potential of Middle Spiš“. BIC acted in these projects as project submitter, while the Spiš Regional Development Agency was a project partner.

In the next two projects - „Pre-feasibility Study of Micro-region Spišské Podhradie and Surroundings“ and „Human Resources Development Training for the Middle Spiš Region“, Spiš Regional Development Agency acted as submitter and BIC as executive partner. The projects started in 2001 and they were completed in 2002.

In October 2001, BIC incorporated the municipal TV station Reduta.

2002

In 2002, the implementation of project - „Improvement of the productive sector in the Eastern regions of Slovakia“ was set off, focused on development and support of business infrastructure in the region via establishing a business incubator in Spišská Nová Ves.

In August 2002, BIC established a new department – the Industrial Park.

In addition, the company arranged another reconstruction of its premises. Total cost of a new boardroom (42.3 m<sup>2</sup>) comprised 180 000 Sk and terrace repair costs amounted up to 110, 000 Sk. The following reconstruction of the staircase and entrance hall was financed by the Municipality of Spišská Nová Ves.



## 2.

2003

In January 2004, BIC started to implement another project – “E-work: opportunity for women” within the frame of Leonardo da Vinci programme. E-work aimed to create an innovative training programme dedicated to women. Project was realized in international cooperation with partners from Poland, Greece and Great Britain.

In April 2003, BIC gained a grant from the Human Resources Development Grant Scheme to implement “Motivation and Training Programme for the Young Unemployed People from the Central Spiš region in order to Solve their Unemployment“. The programme was realized from May to October 2003.

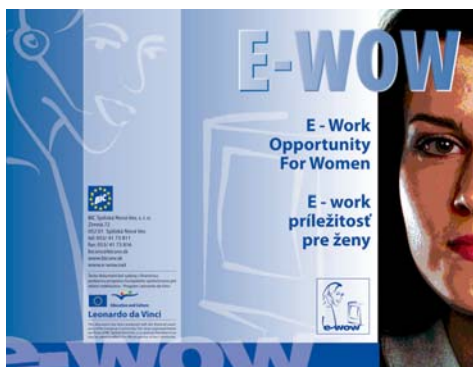
In October 2003, the construction works on Business Incubator in Spišská Nová Ves were successfully completed.

2004

In this year the Consultancy-Educational Programme CEPAC called „I want to establish my own business“ implemented by the company since 1996 ended. The programme was aimed at business preparation for the unemployed, namely education, consultancy, and assistance during the first years in business. In the nation-wide rating on success of the programme our company ranked the highest positions. In April 2004 the implementation of the project E-WOW: E-Work Opportunity for Women was completed. The company started to implement the project named „Reintegration of Women on Labour Market“, which was financed from Human Resources Development Grant Scheme Programme along with the project „Flexibility of Labour Market“, the aim of which was to enhance employment capacities of the women returning to the labour market. The company was successful even in the programme INTERREG IIIC, in the scope of which the company in co-operation with foreign partners started to implement the project TRATOKI aimed at small-sized entrepreneurs support. In July 2004 development of the Programme of Economic and Social Development of Municipality of Spišská Nová Ves was started.

2005

At the beginning of the year the company took over newly built objects in the Industrial Park from the Municipality of Spišská Nová Ves, namely 2 new halls, reconstructed office building, and engineering network. At that time contracts with two foreign investors who started their activities in the new Industrial Park were signed. The company succeeded in the Project „Human Resources“ Measure 1.3 and obtained financial support from the ESF for the Project named „Štart v sprievode“. In the same year the II. stage of building Business Incubator in Spišská Nová Ves started with the assistance of the Structural Funds.



## 2.

### 2.5 ORGANISATION STRUCTURE OF THE COMPANY

Company member	Municipality of Spišská Nová Ves
Supreme body	General Assembly
Company Executive and Director	Ing. Katarína Krotáková
Company departments	BIC TV Reduta Industrial Park

#### BIC DEPARTMENT

Basic scope of activity	<ul style="list-style-type: none"><li>– small and medium enterprises promotion</li><li>– regional development</li><li>– consultancy and advisory services</li><li>– business plans</li><li>– trainings and seminars arrangement</li><li>– Microloan Programme</li><li>– processing and implementing of projects, financing from the Structural Funds</li></ul>
Head of the Department	Ing. Katarína KROTÁKOVÁ
– Economic and accounting consultant	Mária MROVČÁKOVÁ
– Education manager, consultant	Ing. Ľubomíra DZIMKOVÁ
– Financial programmes manager, consultant	Ing. Martin KARCHŇÁK
– Secretariat, information consultancy	Vanda PYTELOVÁ





#### DEPARTMENT TV REDUTA

Basic scope of activity	– local TV broadcasting and Teletext – Advertising
-------------------------	---

Head of the Department	Marcel BLAHUT
------------------------	---------------

#### Staff

– editor-in-chief	Marek Baláž
– editor, publicist	Veronika Jankalová
– editor, advertising manager	Zoltán Fabián
– sound engineer, editor	Miroslav Butora
– cameraman, TV technician	Bohuš Maceják
– graphic designer, editor	Ing. Michal Ľorko
– graphic designer, editor, treasurer	Ivan Petruščák



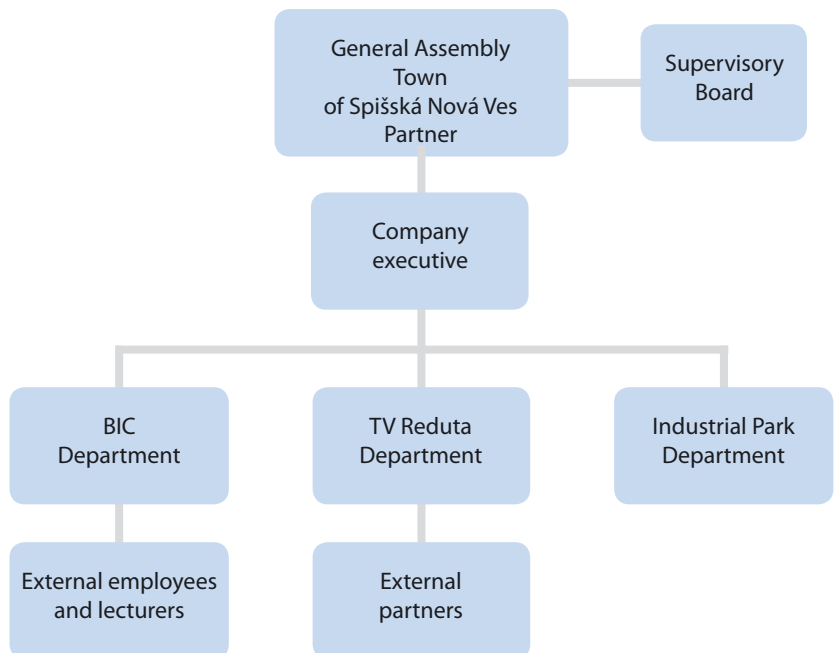
#### DEPARTMENT INDUSTRIAL PARK

Basic scope of activity	– Industrial Park Management – non-residential premises rental
-------------------------	---

Industrial Park Administrator	Ing. Zdeno Jackovič
-------------------------------	---------------------

#### Staff

– accountant	Žaneta Alexievová
– maintenance	Jaroslav Zajac



# INFORMATION ABOUT COMPANY'S ACTIVITIES BY DEPARTMENTS

## 3.

### 3.1 BIC DEPARTMENT

Detailed overview of activities in the field of consultancy, education, microloan programme, and projects.

In 2005 BIC Department focused especially on the provision of the wide range of services for entrepreneurs in the region through advisory and consultancy services, training and seminar programmes arrangement and microloans provision via the microloan programme.

Preparation, processing and implementation of the regional development projects was an important part of the company's activities and above all, complete processing of the applications for the funding from the EU pre-accession funds and the Structural Funds for entrepreneurs, business infrastructure support in Košice self-governing region: II. stage of Business Incubator building in Spišská Nová Ves.

#### 3.1.1 CONSULTANCY

The advisors of the BIC Spišská Nová Ves Ltd. provided consultancy for all target groups of clients:

- potential entrepreneurs
- employed or unemployed people interested to establish own business
- existing SMEs and entrepreneurs

The company provided consultancy via its qualified internal staff for almost all areas of small business management. For specialized consultancy the company used its own network of external advisors.

Consultancy was provided especially in the following areas:

- procedures for establishment of a business
- information about support programs for SMEs
- funding for business plans – subsidies, grants, credits
- accountancy and tax consultancy
- marketing – advertising, cost pricing, market research
- assessment of business ideas
- elaboration of business plans
- preparation of projects to be funded by the state budget and structural funds
- introduction of quality management – ISO standards

3. In 2005, 1,704 hours of information and expert consultancy were provided for both target groups, out of which 694 hours for potential entrepreneurs and 1010 hours for existing entrepreneurs.

In 2005 were provided:

69 hours of informative consultancy		
1635 hours of expert consultancy, out of which	605 h	in the form of individual consultancy
	13 h	business plans evaluation, which means 13 written reports
	230 h	business plans elaboration, which includes business plans for 16 clients
	787 h	project development and applications for financial support from the EU Structural Funds

Information and expert consultancies between 1994 - 2005

Year	Information consultancies	expert consultancies	TOTAL
1994	323	179	502
1995	159	364	523
1996	249	306	555
1997	171	245	416
1998	157	443	600
1999	278	564	842
2000	166	396	562
2001	56	477	533
2002	318	553	871
2003	86	152	238
2004	76	671	747
2005	84	607	691
Total	2 123	4 957	7 080



### 3.1.2 EDUCATION

One of the BIC activities is education of potential and existing entrepreneurs. The company has 12 accredited training courses. Unemployed who want to start up a business and are in need to acquire basic information about entrepreneurship were most interested in education. Gaining theoretical knowledge and practical computer skills were of great interest as well.

### 3.

In 2005 the following courses were took place:

Name of course	Number of courses	Length of course	Number of participants
Working on computers in the WINDOWS environment	1	160 h	12
Starting up my own business	2	200 h	33
Working on computer - basics for users	2	80 h	33
What a starting entrepreneur should know	3	80 h	45
Entrepreneur's minimum	1	24 h	13
Economists' and accountants' club	1	8 h	19
<b>TOTAL</b>			<b>155</b>

Educational activities carried out in 2005 can be divided from two different viewpoints:

#### 1. according to content

– *preparation for business life*

These courses represented majority of realized educational programs, which is in compliance with the mission of the BIC Spišská Nová Ves Ltd. and also reflects actual demand of target groups. Altogether 6 courses for 91 participants within the total of 664 lessons were carried out.

– *using IT*

The courses were designed for beginners, their contents were: using computers in the WINDOWS environment, using text editor WORD and table processor EXCEL. In 2005, 3 courses for 45 participants were carried out with a total of 320 lessons.

– *legislation changes*

The trainings are organized within the Club of economists and accountants, their contents are legislation changes and their interpretation. Target group are business managers and accountants, either as employees or entrepreneurs themselves. During 2005 one training for 19 participants within a total of 8 lessons was carried out.

#### 2. according to resources of funding

– *courses funded by the participants*

These were the trainings designed for small and medium entrepreneurs and their employees, organized within the Club of economists and accountants.





### 3.

Name of course	Date	Number of participants	Number of lessons
Club of economists and accountants	05. 12. 2005	19	8

- courses carried out in co-operation with the Office for Labour, Social Affairs and Family in Spišská Nová Ves within the project on education and preparation for labour market.

The education was aimed at registered applicants for a job who wanted to create their own working position and thus set up their own business. 4 courses were carried out, namely:

Name of course	Date	Number of participants	Number of lessons
Entrepreneur's minimum	11. 05. - 13. 05. 2005	13	24
What a beginning entrepreneur should know	10. 01. - 21. 01. 2006	16	80
	15. 06. - 28. 06. 2005	15	80
	20. 10. - 04. 11. 2005	14	80

- courses carried out within approved projects from sources of the European Union, state budget, and co-financed from BIC Spišská Nová Ves, s.r.o. own resources.

Educational activities were financed by two projects:

#### Project „Reintegration of women to labour process“

Name of course	Date	Number of participants	Number of lessons
Working on computers in the WINDOWS environment	17. 01. - 11. 02. 2005	12	160

#### Project „Štart v sprievode“ - Intensive preparation and complex consultancy service at the beginning of enterprise

Name of course	Date	Number of participants	Number of lessons
Setting up my own business	14. 02. - 18. 03. 2005	18	200
Working on computer - basics for users	30. 03. - 12. 04. 2005	18	80
Setting up my own business	08. 04. - 12. 05. 2005	15	200
Working on computer - basics for users	13. 05. - 26. 05. 2005	15	80

### 3.

#### 3.1.3 MICROLOAN PROGRAMME

Unlike possibilities of bigger companies, one of the main barriers of setting up and development of small business is a more complicated access to financial sources. Commercial bank sector is not willing to rent loans to small entrepreneurs in such extent as in the case of bigger companies with long-term history. To support microbusiness various financial tools are being searched and applied, whilst one of the traditional and most successful forms is via microloan financing. In Slovakia support of small entrepreneurs by the so-called microloans has been done since 1999 based on the support from the EU pre-accession help sources within the programme PHARE. BIC Spišská Nová Ves, s.r.o. is among the first consultancy centres for entrepreneurs which joined the programme, so that the entrepreneurs from the Spiš and Gemer region could draw the support of microloans as soon as in 1999.

The BIC Spišská Nová Ves Ltd. has been providing microloans since 1999, operating in the districts of Spišská Nová Ves, Levoča, Gelnica and Rožňava. Participating partners of the programme are the National Agency for Development of Small and Medium sized Enterprises in Bratislava, the Municipality of Spišská Nová Ves and UniBanka a.s. Bratislava, outlet Spišská Nová Ves.

Given by development of business environment, during the 6-year-period of the programme existence several changes of original conditions have been made, specifically in the field of maximum height of microloan and interest rate.

In 2005 with the efficiency from April the sphere of legitimate applicants was extended even to the groups of companies from 20 to 50 employees. Even foreign entrepreneurs from any of the EU member states could apply for microloans. The most important changes referred to increasing the maximum microloan sum from SKK 800.000 to SKK 1 mil. along with the decreasing of interest rates for both basic kinds of microloans:

- for business intentions as investments in basic means of entrepreneurship - machinery and equipment, purchasing and reconstructing premises – interest rates decreased **from 9 % to 7,55 % p.a.** (investment microloan). At the same time, the repayment period was prolonged to 4 years.
- for business intentions, the subject of which was purchasing stock supplies (goods microloan) the tax rate decreased **from 12 % to 9,55 % p.a.** with the repayment period up to 1 year.

Following the mentioned changes, BIC Spišská Nová Ves, s.r.o. during the period of March - September carried out a reinforced promotion campaign aimed at the target group of both small entrepreneurs and self-government which are natural partner in the field of business support in the regions. BIC Spišská Nová Ves s.r.o. thus



3. contacted over 20 towns and villages and organized 5 information meetings with entrepreneurs. Hereby 100 entrepreneurs were contacted by form of information letter and leaflet.

In 2005 total of 10 microloans in the total sum of SKK 3,426 mil. were provided. Microloans were provided for projects in the field of services (4) - transport, boarding, social services, production (4) - metal and building production, tourism - café (1) and in a retail trade (1). Beginning entrepreneurs with their existence shorter than 1 year were supported by 5 microloans.

Throughout the year, 8 microloans were paid off. Throughout the program existence 23 microloans were paid off. In one case it was necessary to seek the claim's pay off from a microloan by voiding the contract and presenting a proposal for execution.

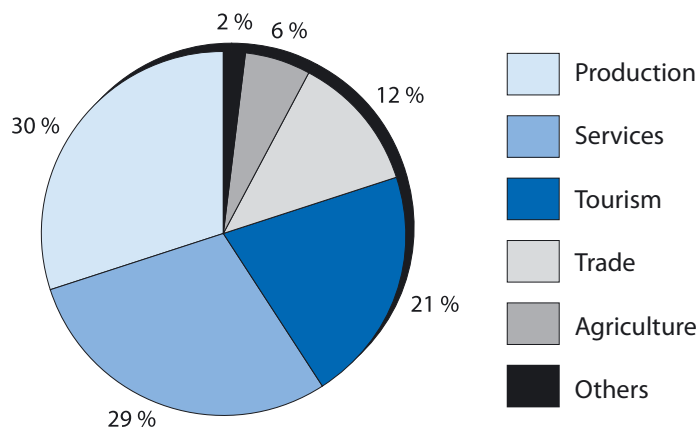
By 31/12/2005 69 business projects worth SKK 29.92 mil. were submitted and negotiated, 58 of them, worth SKK 25.45 mil. were approved.

The situation during the whole of the programme is demonstrated in the following table:

Item / Year	1999	2000	2001	2001	2003	2004	2005	TOTAL
Total number of applications	17	5	0	11	14	12	10	69
Required sum of loans in mil. SKK	6,12	2,30	0	4,50	7,75	4,54	4,71	29,92
Number of approved applications	10	4	0	9	14	12	9	58
Approved sum of loans in mil. SKK	3,55	2,0	0	3,5	7,65	4,54	4,21	25,45
Number of disapproved applications	7	1	0	2	0	0	1	11
Sum of disapproved loans in mil. SKK	2,57	0,3	0	1,00	0,1	0	0,5	4,47
Number of rendered microloans	7	6	0	5	10	12	12	52
Sum of rendered microloans in mil. SKK	2,11	3,14	0	2,18	5,28	5,10	3,62	21,43
Number of paid-off loans	0	0	0	6	6	3	8	23
Sum of paid-off loans in mil. SKK	0	0	0	2,35	2,40	1,4	3,42	9,57

### 3.

#### Granted microloans according to fields by 31. 12. 2005



#### Granted microloans according to districts by 31. 12. 2005:

District	Total sum of microloans	Granted microloans
Spišská Nová Ves	16,325 mil. Sk	36
Levoča	1,750 mil. Sk	6
Gelnica	0,539 mil. Sk	2
Rožňava	2,153 mil. Sk	5
Poprad	0,670 mil. Sk	3
TOTAL	21,437 mil. Sk	52

#### 3.1.4 PROJECTS

In 2005 the BIC Spišská Nová Ves Ltd. participated in implementation of several projects within the area of regional development, funded by grant schemes, initiatives and programmes of the European Community. In 2005 it participated in the following projects:

- The "Re-integration of Women into Working Process" Project
- The "TRATOKI" Project - Transregional Toolkit for Microenterprises
- „ŠTART v sprievode“ - intensive preparation and consultancy service at the beginning of enterprise
- The Programme of Social and Economic Development of the town of Spišská Nová Ves
- Business infrastructure support in Košice self-governing region: II. stage of Business Incubator building in Spišská Nová Ves
- Improving the conditions for direct foreign investment inflow to the Košice county region (PROFIK)
- Development of tourism in Central Spiš: Galmus – network of walking, cycling and skiing trails

### 3.

- JeTIS - Unified tourist information system of tourist centre Mlynky - Dedinky
- Modernization of cultural infrastructure in the village of Poráč - reconstruction and extension of the house of culture

#### „Reintegration of Women into Labour Process“

**Objective of the Project:** The general objective of the project was reinforcement of employability of women returning to the labour market through the following activities:

- analysis of the participants' personalities profiles and providing them with career and professional consultancy
- getting elementary knowledge of the English language
- getting elementary knowledge about the information and communication technologies (ITC)
- by means of work-exchange to encourage the participants to active searching for appropriate working positions

**Target group:** Women returning to the labour market

**Project co-ordinator:** The Spiš Regional Development Agency

**Project partner:** BIC Spišská Nová Ves, s. r. o.

**Funding:** Grant Scheme of Human Resources Development, Labour market flexibility

**Implementation:** May 2004 - April 2005

**Results:** In 2005 project activities continued according to fixed schedule. Within the project, two groups of women took part in the courses aimed at language preparation „English for beginners“ - 160 lessons and courses aimed at developing computer skills „Work on computer in the WINDOWS environment“ - 160 lessons.

In 2004 courses aimed at language preparation and education in the field of work with ITC for the first group were carried out.

In 2005 education for the second group of women continued. It was aimed at obtaining knowledge and skills in work with ITC. In March 2005 work-exchange for both the project participants and other applicants for working positions was organized in co-operation with the Office of Labour, Social Affairs and Family in Spišská Nová Ves.

The project was completed in scheduled date - April 2005. Throughout the period the effectivity of education was measured. 8 women found appropriate positions on Labour market which means 33 per cent of the participants throughout the project implementation.





### 3.

„Štart v sprievode“ (Accompanied Start) - intensive preparation and complex consultancy service during the first stages of business life.

**Objective of the project:** The main objective of the project is to provide preparation for people with potential for self-employment for the purpose to stimulate business activity as well as creating of new job positions. In the scope of which:

- motivate participants to solve their own unemployment by means of self-employment (setting-up their own business)
- provide sufficient information and consultancy services for processing their own business plan
- provide complex advisory and consultancy services referring to starting a business

**Target group:** The target group consists of all the applicants for working positions who decided to make their own business and thus to cope with their unemployment by means of their self-employment. All the activities are repeated regularly in cycles during 24 months for 4 groups of applicants.

**Project coordinator:** BIC Spišská Nová Ves, s. r. o.

**Funding:** Sectoral Operational Programme Human Resources. Priority number 1 Development of active policy on Labour market. Measure 1. 3. Development of education and preparation for applicants aimed at improving their potential on Labour market.

**Implementation:** January 2005 - December 2006

**Results:** Main activity is to educate applicants and provide them with complex consultancy at setting up their own business. The education is aimed at:

- Setting up their own business (200 lessons),
- Work on PC for users - basics (80 lessons).

Participants work out their own business plan, the presentation of which is the final phase of their education. Essential part of the project is the consultancy service, which helps the participant to cope with difficulties during initial stages of business existence. Consultancy is provided face to face (consultant - participant) or via group consultancy (for 5 - 10-member group). The project is planned for the period of 24 months.

In 2005 all mentioned activities were carried for two groups of applicants. The project included 33 applicants. By 31. 12. 2005 18 applicants set up their own business, 5 applicants found appropriate working position on the Labour market and 1 applicant was excluded from the registry of the Office of Labour, Social Affairs and Family due to health problems. The total number of excluded applicants was 24. The total efficiency of education (participants not registered on Employment Office) makes 72.7 per cent for the year 2005.

The project still continues in its activities for further 2 groups of applicants in 2006.



### 3.

#### TRATOKI

**Objective of the project:** Microenterprises are the main source of new jobs creation, potential for economic growth, and local development within the whole Europe. Statistically, small and medium-sized businesses in the EU provide not less than two thirds of total employment, out of which up to 50 per cent is represented by entrepreneurs/firms labelled as microenterprises. The project's main objective is to provide support specifically for this group of entrepreneurs and at least partially compensate their disadvantage as small entrepreneurs compared to big companies, which due to their size have easier access to network, have higher potential for making partnerships and new contacts. Many problems, which small entrepreneurs face are common in the whole EU.

The project is thus aimed at mutual exchange and common development of tools for microbusiness support, tool transfer process analysis between regions.

The main project output is creating the so-called manual for national, regional, and local authorities in structured form containing individual supporting tools and potentials for their successful adaptation.

**Target group:** Target group of the project is the group of micro-businesses, i.e. entrepreneurs with number of employees under 10. Regional development agencies as well as the practitioners in the area of small and medium-sized business support on all levels (EU, national, regional, local) are direct project output beneficiaries.

**Project co-ordinator:** Investitionsbank Berlin (IBB)

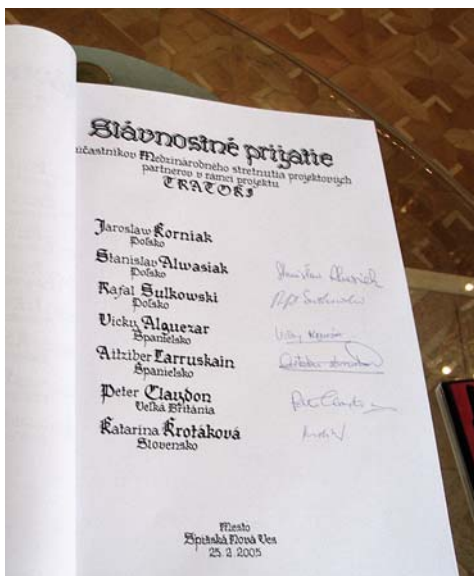
#### Project partners:

- Vienna Business Agency, Austria
- SIPRO – Ferrara County Board for Local Development, Italy
- CPEM Marseilles – Center for the Promotion of Employment in Micro Enterprises, France
- ZMVA – Zala County Foundation for Enterprise Promotion, Hungary
- Malopolska School of Public Administration, Krakow University of Economy, Poland
- Development Agency of Bidasoa Region – Bidasoa activa, Spain
- Yorkshire Enterprise Limited, Great Britain
- BIC Spišská Nová Ves, s.r.o., Slovakia

**Funding:** Programme INTERREG IIIC

**Implementation:** January 2004 - December 2006

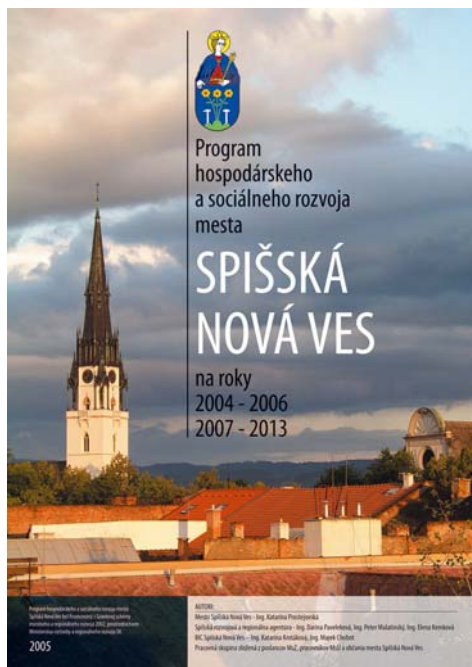
**Results:** The project activities are as follows - identification and description of individual supporting tools, transfer and adaptation process methodology, common development of tools, tool testing by means of the so-called demo projects and structured tool summary within the manual for the authorities, participating in the field of business support.



### 3.

Thematically the project is organized within the components, in which independent working groups were created:

- Component 2: Business support measures
- Component 3: Internationalization of microenterprises
- Component 4: Access to finance - making use of the ERDF, the ESF sources in revolving funding programmes



#### Program of the Economy and Social Development of the town of Spišská Nová Ves

**Objective of the project:** Creating basic medium-term programming document on the local level, which is going to be the starting material for complex treatment of the problems of the town concerning unemployment, infrastructure, development of tourism, support of business environment and other areas.

**Target group:** residents of the town, representatives of the Municipality, management of the town

**Project co-ordinator:** Municipality of Spišská Nová Ves

**Project partners:**

- Spiš Regional and Development Agency
- BIC Spišská Nová Ves, s.r.o.

**Funding:** Grant Scheme of Local and Regional Development

**Implementation:** July 2004 - February 2005

**Results:**

- research of business environment in the town of Spišská Nová Ves via a questionnaire
- audit of sources analytical part of economic and social development programme
- SWOT analysis, problem analysis
- Action plan of the programme
- planned project intentions of the town of Spišská Nová Ves

#### Business infrastructure support in Košice self-governing region: II. stage of Business Incubator building in Spišská Nová Ves

**Objective of the project:**

- support for social-economic development of Spišská Nová Ves and its district
- new business activities development support
- founding new businesses and support of new working positions

### 3.

**Target group:** small beginning entrepreneurs

**Project co-ordinator:** Municipality of Spišská Nová Ves

**Project partners:**

- Košice self-governing region
- BIC Spišská Nová Ves s.r.o. - co-operating partner, application processor

**Funding:**

- Structural Funds (ERDF)
- Ministry of Economy of the SR, public call within the project SOP Industry and Services, Measure 1.2., Support of infrastructure building and its reconstruction, Activity - Incubator

**Implementation:** 2005 – 2006

**Results:** Project preparation and starting the building of new independent Business Incubator in co-operation with existing Incubator.

Improving the direct foreign investment inflow conditions to the Košice self-governing region (PROFIK)

**Objective of the project:** The objective of the project is to improve the dynamics of economic development in Košice region via reinforcement of professional human and institutional capacities in the field of investment policy.

**Target group:** experts of business innovation centres, regional information and consultancy centres, regional development agencies, consultancy institutions

**Project co-ordinator:** Košice self-governing region

**Project partners:**

- BIC Spišská Nová Ves, s.r.o.
- The Regional Development Agency Košice n.o.
- The Regional Consultancy and Information Centre Košice
- The Regional Consultancy and Information Centre Trebišov

**Funding:** EQUAL Community initiative

**Implementation:** March 2005 - December 2006

**Results:** Investment and marketing environment analysis in Košice self-governing region

### 3.

#### Development of tourism in the Central Spiš: Tourist region Galmus-network of walking, cycling and skiing trails

**Objective of the project:** The objective of the project is a better access and promotion of the Galmus region for the purpose of active tourism aimed at domestic and foreign visitors seeking primary or supplementary stays in the country via cultural and thus more attractive means.

**Target group:** domestic and foreign tourists

**Project co-ordinator:** civic association „Rozvoj Spiš“, Spišská Nová Ves

**Project partners:**

- villages: Matejovce nad Hornádom, Poráč, Olcnava, Slovinky
- towns: Krompachy and Spišské Vlachy
- BIC Spišská Nová Ves s.r.o. - the project elaborator, consultant for the project implementation

**Funding:** Grant Scheme for the Development of Tourism (TDGS 2003), Component 2

**Implementation:** 2005 - 2006

**Results:**

- network of new tourist trails in the Galmus region (walking, cycling, skiing)
- introduction of new tourist information and area orientation system in the Galmus region
- marketing and promotion of the Galmus tourist region



### 3.

#### JeTIS - Unified tourist information system of the tourist centre Mlynky - Dedinky

**Objective of the project:** The main objective of the project is to support the development of tourism in the centres of Mlynky and Dedinky by introducing a unified tourist information system, which in a modern way will make all attractive elements of tourist micro-region accessible and will render important information for tourists.

**Target group:** domestic and foreign tourists

**Project co-ordinator:** Slovenský raj association - Juh, Mlynky

**Project partners:**

- villages: Mlynky, Dedinky
- BIC Spišská Nová Ves, s. r. o - the project elaborator

**Funding:** Grant Scheme for the Development of Tourism (TDGS 2003), Component 2

**Implementation:** 2005 – 2006

**Results:**

- a modern complex information and orientation system in the villages of Mlynky and Dedinky
- common marketing and promotion of Mlynky, Dedinky tourist area

#### Modernization of the cultural infrastructure in the village of Poráč – reconstruction and extension of the house of culture

**Objective of the project:** To preserve and develop unique cultural heritage of the village, to increase the accessibility and attractiveness in relation to local residents, domestic and foreign visitors by cultural infrastructure modernization.

**Target group:** residents

**Project co-ordinator:** the village of Poráč

**Project partner:** BIC Spišská Nová Ves, s.r.o. - the project developer

**Funding:**

- Structural Funds
- Operation programme „Basic Infrastructure“, Measure 3.1. - Building and development of the civic infrastructure

**Implementation:** 2005 – 2006

**Results:** addition to the Community Centre and its reconstruction in the village of Poráč

## 3.



### 3.2 DEPARTMENT TV REDUTA

The year 2005 was TV Reduta's eleventh year of its regular broadcasting. It was the third year of terrestrial broadcasting from its own transmitter. This enabled the TV to address 50 to 55 thousand viewers in the town and its surroundings. Broadcasting was driven by current programme structure. The news covered the most important events of social, cultural, sport and political character.

At the end of the year TV Reduta asked for prolongation of its licence, which was approved by the Council for Broadcasting and Re-transmission of the SR. The licence has been prolonged up to 31. 12. 2008.

#### BUSINESS CONTACTS

The Municipality of Spišská Nová Ves was the most important business partner of the television. Based on the contract, the TV created 150 programmes with the total length of 3,000 minutes. The TV Reduta also provided complex services of videotext and teletext reporting and information. The TV established contacts with 28 business partners through long term contracts. The Slovak Television became a regular purchaser of reporting contributions for Children's News. In 2005, a contract with TV Net, an advertisement provider for local electronic media. This collaboration was successfully started and began to bring finance. Business activities were built on non-recurring activities as well in the area of technology rental and advertising products supplies.

#### ACTIVITIES

TV Reduta regularly takes part in workshops and festivals of regional TV stations. In 2005 the representatives of the TV participated in the international festival the Golden Beggar and a workshop organized by LOTOS for 2005.

In 2005 the following programmes were produced by the TV:

- 150 pictured 20-minute programmes
- 924 reports out of them: 15 round-table discussions special programmes (Easter, Christmas and New Year's Eve) borrowed publicist programmes
- 525,600 minutes of teletext
- 521,600 minutes of videotext



### 3.

#### TECHNOLOGIES

The television produced its programmes with its current digital recording technologies with the following linear processing. At the end of the year the TV turned to non-linear picture and sound processing. The maintenance of technologies in the studio was carried out during the planned 14-day long period. The transmitter was regularly serviced with a subsequent maintenance by the Slovenské telekomunikácie.

Technologies needed for non-linear editing and processing video and audio signal were supplemented from our own resources. Software equipment for automation of broadcasting was purchased. The car Škoda Fabia combi was purchased via Škoda Credit. The TV created a new department for picture and sound processing in order to make the production more efficient.

The TV recorded all important social, cultural and sport events within its personnel and technological resources.

Building of new departments, software and hardware purchase, technological equipment was financed from the TV's own financial sources.

#### REGULAR AUDIENCE

The tv.net s.r.o. company entitled the MVK company to make a survey on regular audience of tv.net's regional television network. The survey included 19 towns, which have regional television network. The survey was carried out by questioning 800 respondents. The deadline for data collection was December 2005. The survey showed the following:

- 58,7 per cent of respondents watch the regional television regularly
- 11,7 per cent of respondents watched the regional television yesterday
- 56,3 per cent of viewers watch the regional television from 4 p.m. to 7 p.m.

From the selected survey indicators follows that regional televisions play an important role in the media environment. They are firmly anchored as the source of information, they are a reliable source of information on the communal level.

From the future aspect regional televisions are a perspective media with constant viewers background.



## 3.

### 3.3 DEPARTMENT INDUSTRIAL PARK

The year 2005 was characterized by completion of two new production halls and reconstruction of existing administrative buildings. The construction project also included realization of waste water treatment plant as well as modernisation of technical infrastructure of the industrial park.

Throughout the year new production halls as well as office rooms were being gradually occupied. In February 2005 rental contract with the Brazilian investor CRW SK, s.r.o. was signed. The company uses a new production hall with the area of 5596 m<sup>2</sup>. In the first quarter of 2005 the assembly of a new production line began and by the end of August 2005 the company started with the production of plastic components.

In September 2005 another rental contract for new production hall with the area of 2127,50 m<sup>2</sup> was signed with MB BEDDING COMPONENTS s.r.o. company. Throughout the year office building rooms were gradually used by several companies. The total amount for rent makes 14.533 m<sup>2</sup>. At the end of 2005 13.060 m<sup>2</sup> of the Industrial Park area was rented which is 89,86 per cent of the total area.



#### INDUSTRIAL PARK CLIENTS

New production halls were occupied by foreign investors - CRW Slovakia s.r.o. company with Brazilian capital and MB BEDDING COMPONENTS s.r.o. company with Austria-Turkey capital. Throughout the year 2005 the rest of production rooms (old building and halls) were used by Slovak business entities dealing with wood-processing (furniture, window, and door making, chipboard semi-product selling, etc.) as well as plastic waste recycling. The entrepreneurs who used the rooms in the office building deal with advertising, hardware and software services, furniture selling and boarding service for companies residing in Industrial Park.

#### COSTS FOR RENT

The prices for administration and productions rooms renting both in old and new halls are based upon price list. In 2005 the costs were SKK 200/m<sup>2</sup> and SKK 400/m<sup>2</sup> of the rented area in old buildings depending on the technical level of the building and its purpose, SKK 600/m<sup>2</sup> of the area in new production halls and SKK 800/m<sup>2</sup> of the area in new office rooms.

### 3.

#### PROMOTION

Free-to-rent rooms in the Industrial Park were offered via TV Reduta and monthly information magazine of the Municipality of Spišská Nová Ves. The process of building the Industrial Park was recorded on a promotion CD both in Slovak and English language.

#### INDUSTRIAL PARK MANAGEMENT

Industrial Park management and operation was provided via the executor, manager, accountant and maintenance staff of the Industrial Park.

#### NUMBER OF WORKING POSITIONS

At the end of 2005, totally 117 workers were employed by the companies located in the Industrial Park, out of which 45 workers in old production halls, 43 workers in new production halls and 29 workers in the office building.

Detailed overview of the number of working positions is as follows

production room	investor (renter)	business area	working positions
old buildings	ndh ATYP, s.r.o.	atypical furniture production	25
	Ekoplasty, s.r.o.	plastic waste recycling	9
	D.O.D., s.r.o.	euro window and door production	8
	VONA, Nitra	chipboard semi-products selling	3
Total			45
new buildings	MB BEDDING COMPONENTS, s.r.o.	waterbeds production	13
	CRW Slovakia, s.r.o.	plastic components production	30
Total			43
office building	ndh Market, s.r.o.	furniture selling	2
	Úsmev advertising agency	ad production	10
	Vítex Šefčík, s.r.o.	boarding	1
	CRW, s.r.o. (Dr. Schneider)	administration for plastic components production	10
	C KORP, s.r.o.	hardware and software services	4
	BIC Spišská Nová Ves, s.r.o	Industrial Park management	2
Total			29
Total			117



### 3.

#### REPAIRS AND INVESTMENT

Representatives of Spišská Nová Ves approved Industrial Park repairs and investment plan for the year 2005. From the plan the following items were carried out: phone line distribution in the office building, autolift gate in the gate-house, outer lighting repair of some buildings, sewage tank, leaking roof and drainpipes repair on old halls, areal lighting repair, areal fencing repair, recultivation of the damaged part of the building site, extinguishers purchase for the new production halls and office building, providing the sanitary service in the office building, office equipment and furniture purchase, maintenance tools purchase, installation of information boards in the rooms of office building, etc.



# RESULTS FOR THE YEAR 2005

4.

In 2005 the company performed good economic and financial figures as for the total revenues, profit, assets and liabilities. The company recorded total earnings before taxes in amount of SKK 741.000, income tax made SKK 148.000, thus net income was in the amount of SKK 593.000.

BIC Spišská Nová Ves s.r.o.'s economic results, its total costs and revenues, assets and liabilities in the period of 2001 - 2005 are as follows:

## Profit and loss (in thousands SKK)

Item	2001	2002	2003	2004	2005
Incomes for the company's products selling and services	2 077	6 041	6 381	6 171	9 325
Material and energy consumption	332	698	842	728	1 876
Services	906	2 143	2 574	1 856	3 381
Added value	839	3 200	2 965	3 593	4 068
Staff costs	1 675	4 540	5 096	4 634	4 954
Allowance for company management				14	38
Taxes and fees	29	98	74	48	42
Depreciation	75	96	150	563	505
Incomes from long-term assets and material selling	0	449	67	88	99
Residual value of the sold long-term assets and material	0	363	0	0	98
Using and cancelling of reserves into revenues from operations	0	0	145	264	241
Reserve making for operations	0	170	434	241	247
Accounting and cancelling of rectifying items into operating revenues				55	299
Making of rectifying items to operating costs	0	7	73	275	18
Other operating revenues	597	1 974	2 258	1 451	1 805
Other operating costs	33	240	210	225	355
Operating income	- 376	109	- 602	- 535	293
Financial income	525	298	694	622	448
Income tax	9	137	77	103	148
Extraordinary income	24	- 26	0	0	0
Net income for accounting period	164	244	15	- 16	593



## 4. Balance sheet (in thousands SKK)

ASSETS	31. XII. 2001	31. XII. 2002	31. XII. 2003	31. XII. 2004	31. XII. 2005
Total assets	8 848	21 768	22 680	22 570	25 218
1. Fixed assets	706	1 229	1 774	1 661	2 059
Long-term intangible assets	0	0	0	0	0
Long-term tangible assets	706	829	1 769	1 656	2 054
Long-term financial assets	0	400	5	5	5
2. Current assets	7 568	20 437	20 599	19 968	21 407
Stocks	0	0	0	0	0
Long-term receivables	2 128	2 300	3 057	7 505	6 869
Short-term receivables	965	1 706	3 951	1 168	3 096
Finance	4 475	16 431	13 591	11 295	11 442
– Cash	36	25	65	48	20
– Bank accounts	4 439	16 406	13 526	11 247	11 422
3. Other assets	574	102	307	941	1 752

LIABILITIES	31. XII. 2001	31. XII. 2002	31. XII. 2003	31. XII. 2004	31. XII. 2005
Total liabilities	8 848	21 768	22 680	22 570	25 218
1. Share holders' equity	2 266	2 487	2 234	2 743	3 336
Share capital	562	562	562	562	562
Capital funds	1 502	1 539	1 502	1 502	1 502
Profit funds	41	49	62	62	62
Retained earnings	- 3	93	93	633	617
Net income for accounting period	164	244	15	-16	593
2. Current liabilities	6 325	18 785	19 969	19 489	21 711
Reserves	200	370	804	241	247
Long-term liabilities	5 097	16 825	16 817	17 312	17 343
Short-term liabilities	1 028	1 570	2 348	1 508	3 617
Bank loans	0	20	0	428	504
3. Other liabilities	257	496	477	338	171

In 2005 company's total assets reached SKK 25.218.000. In the period of 2001 - 2005 company's assets went up, which was caused by enlarging its activities by television broadcasting activities, Industrial Park management, and microloan programme.

Microloan programme implementation brought the company's long-term liabilities increase up to SKK 17.343.000 in 2005. The long-term liabilities towards the National Agency for Development of Small and Medium-sized Enterprises was the essential part of the microloan programme. The agency upon the signed contract rendered financial support for implementation of the programme.



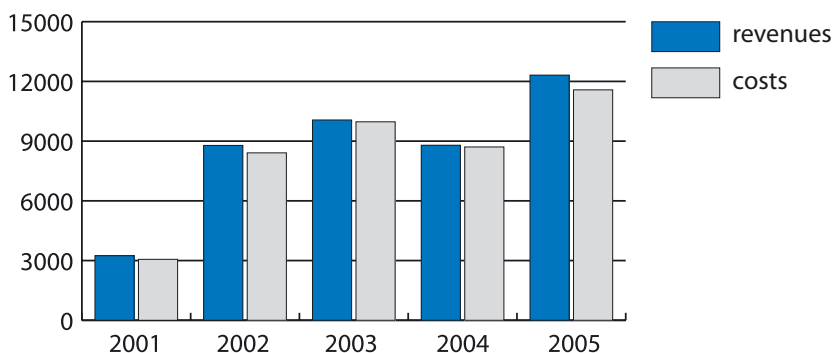
4. Company's finance increased from SKK 4.475.000 in 2001 to SKK 11.442.000 in 2005 where beside cash and bank accounts of the BIC company and its individual departments there are also the sources aimed at microloans administered on a special bank account.

Company's long-term receivables decreased in 2005 from SKK 7.505.000 to SKK 6.869.000. The loans rendered from the microloan programme which are currently being paid off by the company's clients made an essential part of the long-term receivables.

### Selected financial indicators

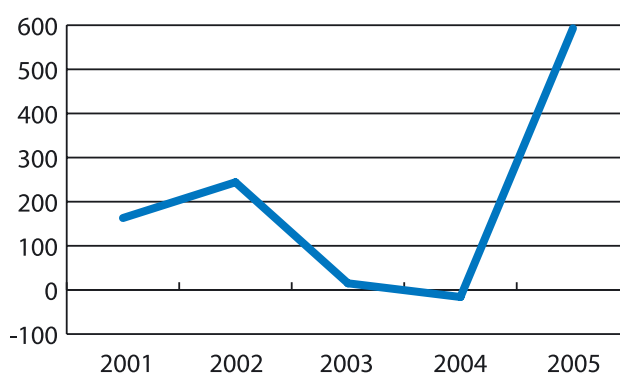
(in thousands SKK)	2001	2002	2003	2004	2005
Sum of operating, financial and extraordinary revenues	3 244	8 784	10 063	8 794	12 316
Sum of operating, financial and extraordinary costs	3 062	8 411	9 971	8 707	11 576
Income before taxation	182	373	92	87	741
Income (tax) adjusted by non-deductable and deductible items	64	514	308	540	777
Income tax rate	29 %	25 %	25 %	19 %	19 %
Income tax	19	129	77	103	148
Net income for accounting period	163	244	15	- 16	593

Development of total revenues and costs of the company for the period of 2001 - 2005 (in thousands of SKK)



#### 4.

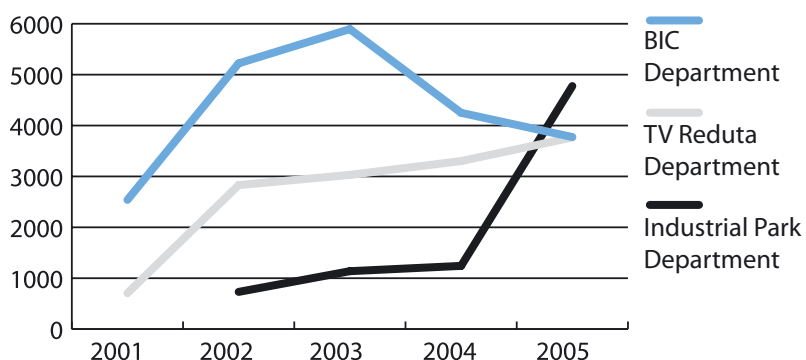
Development of net income for accounting period of 2001 - 2005 (in thousands SKK)



STRUCTURE OF THE COMPANY'S REVENUES IN THE PERIOD OF 2001 - 2005 ACCORDING TO DEPARTMENTS (in thousands SKK)

	2001	2002	2003	2004	2005
BIC Department	2 539	5 222	5 895	4 250	3 774
TV Reduta Department	706	2 830	3 030	3 302	3 766
Industrial Park Department		731	1 138	1 242	4 776
<b>Total</b>	<b>3 245</b>	<b>8 783</b>	<b>10 063</b>	<b>8 794</b>	<b>12 316</b>

All three company's departments took part in the total company's revenues (BIC Department, TV Reduta Department, Industrial Park Department). The structure of the BIC Spišská Nová Ves company's revenues in the period of 2001 - 2005 is as follows (in thousands SKK):

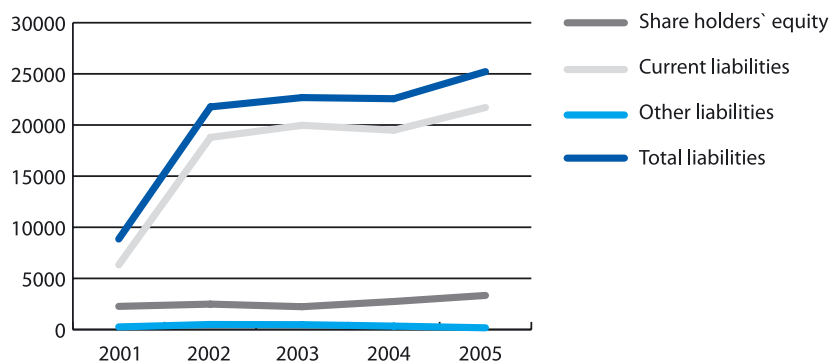
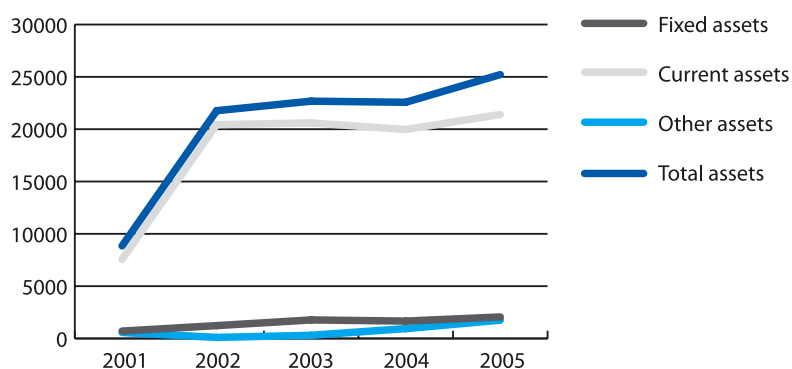


## 4.

### DEVELOPMENT OF ASSETS AND LIABILITIES OF THE COMPANY IN THE PERIOD OF 2001 - 2005 (in thousands SKK)

Item	2001	2002	2003	2004	2005
1. Fixed assets	706	1 229	1 774	1 661	2 059
2. Current assets	7 568	20 437	20 599	19 968	21 407
3. Other assets	574	102	307	941	1 752
<b>Total assets</b>	<b>8 848</b>	<b>21 768</b>	<b>22 680</b>	<b>22 570</b>	<b>25 218</b>

1. Share holders' equity	2 266	2 487	2 234	2 743	3 336
2. Current liabilities	6 325	18 785	19 969	19 489	21 711
3. Other liabilities	257	496	477	338	171
<b>Total liabilities</b>	<b>8 848</b>	<b>21 768</b>	<b>22 680</b>	<b>22 570</b>	<b>25 218</b>



# CONTACT

5.

## HEADQUARTERS OF THE COMPANY

### BIC DEPARTMENT

BIC Spišská Nová Ves, s.r.o  
Zimná 72  
052 01 Spišská Nová Ves  
Tel.: +421 53 4173811  
Fax: +421 53 4173816  
e-mail: [bicsnv@bicsnv.sk](mailto:bicsnv@bicsnv.sk)  
[www.bicsnv.sk](http://www.bicsnv.sk)

### TV REDUTA DEPARTMENT

Radničné námestie 4  
052 01 Spišská Nová Ves  
Tel.: +421 53 4427241, 4411373  
Fax: +421 53 4427241  
e-mail: [tvreduta@tvreduta.sk](mailto:tvreduta@tvreduta.sk)  
[www.tvreduta.sk](http://www.tvreduta.sk)

### INDUSTRIAL PARK DEPARTMENT

Drevárska 2  
052 01 Spišská Nová Ves  
Tel.: +421 53 4299066  
Fax: +421 53 4299067  
e-mail: [ipark.snv@stonline.sk](mailto:ipark.snv@stonline.sk)