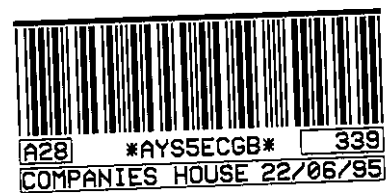


FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1994

FOR

JRD FLUOROchemicals LIMITED



JRD FLUOROchemicalS LIMITED

COMPANY INFORMATION

DIRECTORS:

Dr. J. Jappy
L.E. Jappy
R.J.E. Tidswell
D.M. Patel

SECRETARY:

L.E. Jappy

REGISTERED OFFICE:

Unit 11
Mole Business Park
Randalls Road Leatherhead
Surrey KT22 7BA

REGISTERED NUMBER:

2772722

ACCOUNTANTS:

Callingham Crane
Chartered Accountants
115 Kingston Road
Leatherhead
Surrey KT22 7SU

JRD FLUOROCHEMICALS LIMITED

REPORT OF THE DIRECTORS

The directors present their report with the financial statements of the company for the year ended 31 December 1994.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and supply of chemical compounds.

FIXED ASSETS

Movements on fixed assets are set out in note 6 to the accounts.

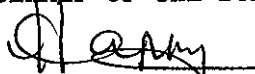
DIRECTORS

The directors of the company in office during the year and their beneficial interests in the issued share capital were as follows:

<u>Name</u>	<u>Class of Capital</u>	<u>31.12.94</u>	<u>1. 1.94</u>
Dr. J. Jappy	Ordinary £1	40,000	40,000
L.E. Jappy		-	-
R.J.E. Tidswell	Ordinary £1	23,000	23,000
D.M. Patel	Ordinary £1	10,000	10,000

In preparing this report, the directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

ON BEHALF OF THE BOARD:


L.E. Jappy - Secretary

Dated: 8 June 1995

JRD FLUOROCHEMICALS LIMITED

REPORT OF THE ACCOUNTANTS TO THE SHAREHOLDERS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
JRD FLUOROCHEMICALS LIMITED

We report on the financial statements for the year ended 31 December 1994 set out on pages four to nine.

Respective responsibilities of directors and reporting accountants

As described on page five the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

Callingham Crane
Chartered Accountants
115 Kingston Road
Leatherhead
Surrey KT22 7SU

Callingham Crane

Dated: 8th June 1995

JRD FLUOROCHEMICALS LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 1994

		<u>1994</u>	<u>1993</u>
	Notes	£	£
TURNOVER	2	273,014	102,557
Cost of Sales		52,963	35,745
GROSS PROFIT		220,051	66,812
Administrative Expenses		175,877	119,486
OPERATING PROFIT/(LOSS)	3	44,174	(52,674)
Interest Receivable	4	318	778
		44,492	(51,896)
Interest Payable and Similar Charges		1,467	133
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		43,025	(52,029)
Tax on Profit/(Loss) on Ordinary Activities		80	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		42,945	(52,029)
Deficit brought forward		(52,029)	-
DEFICIT CARRIED FORWARD		<u>£ (9,084)</u>	<u>£ (52,029)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous period.

JRD FLUOROCHEMICALS LIMITED

BALANCE SHEET
As at 31 December 1994

	Notes	1994		1993	
		£	£	£	£
FIXED ASSETS:					
Tangible Assets	5		78,459		92,082
CURRENT ASSETS:					
Stocks	6	18,364		11,967	
Debtors	7	37,717		43,483	
Cash at Bank		19,183		14,457	
		<u>75,264</u>		<u>69,907</u>	
CREDITORS: Amounts falling due within one year	8	<u>32,807</u>		<u>84,018</u>	
NET CURRENT ASSETS:			<u>42,457</u>		<u>(14,111)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£120,916</u>		<u>£77,971</u>
CAPITAL AND RESERVES:					
Called Up Share Capital	9		130,000		130,000
Profit & Loss Account			(9,084)		(52,029)
Shareholders' Funds	11		<u>£120,916</u>		<u>£77,971</u>

The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the year ending 31 December 1994.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

JRD FLUOROCHEMICALS LIMITED

BALANCE SHEET

As at 31 December 1994

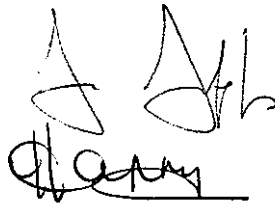
In preparing these financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

Dr. J. Jappy - DIRECTOR

L.E. Jappy - DIRECTOR

Approved by the Board on 8 June 1995



JRD FLUOROCHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1994

1. **ACCOUNTING POLICIES**

Accounting Convention

The financial statements have been prepared under the historical cost convention.

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Scientific Equipment	- 20% on cost
Fixtures & Fittings	- 25% on cost

Stocks

Stock is valued on the basis set out below.

Manufactured products are valued at 25% of net realisable value. Compounds introduced by one of the directors upon commencement of trade are valued at cost.

Raw materials are valued at cost which includes all direct expenditure.

Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

2. **TURNOVER**

The turnover and profit (1993 - loss) before taxation are attributable to the one principal activity of the company.

3. **OPERATING PROFIT/(LOSS)**

The operating profit (1993 - operating loss) is stated after charging:

	1994	1993
	£	£
Finance Charges	-	1,930
Depreciation - Owned Assets	25,965	23,497
Auditors' Remuneration	-	2,500
	<hr/>	<hr/>
Directors' Emoluments	74,633	49,220
	<hr/>	<hr/>

JRD FLUOROCHEMICALS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1994**

4. INTEREST RECEIVABLE

	1994	1993
	£	£
Interest Received	318	778
	<u> </u>	<u> </u>

5. TANGIBLE FIXED ASSETS

	Scientific Equipment	Fixtures & Fittings	Totals
	£	£	£
COST:			
As at 1 January 1994	107,946	7,633	115,579
Additions	12,342	-	12,342
	<u> </u>	<u> </u>	<u> </u>
As at 31 December 1994	120,288	7,633	127,921
	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION:			
As at 1 January 1994	21,589	1,908	23,497
Charge for Year	24,057	1,908	25,965
	<u> </u>	<u> </u>	<u> </u>
As at 31 December 1994	45,646	3,816	49,462
	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE:			
As at 31 December 1994	£74,642	£3,817	£78,459
	<u> </u>	<u> </u>	<u> </u>
As at 31 December 1993	£86,357	£5,725	£92,082
	<u> </u>	<u> </u>	<u> </u>

6. STOCKS

	1994	1993
	£	£
Stock	18,364	11,967
	<u> </u>	<u> </u>

**7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1994	1993
	£	£
Trade Debtors	23,119	25,655
Other Debtors	5,866	9,652
Prepayments	8,732	8,176
	<u> </u>	<u> </u>
	37,717	43,483
	<u> </u>	<u> </u>

JRD FLUOROCHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 1994

8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1994	1993
	£	£
Trade Creditors	8,954	48,410
Shareholder's Loan	13,000	20,000
Other Taxes & Social Security	2,027	4,812
Taxation	80	-
Accruals	8,746	10,796
	<u>32,807</u>	<u>84,018</u>

9. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:				
Number:	Class:	Nominal	1994	1993
		Value:	£	£
130,000	Ordinary	£1	130,000	130,000

10. OTHER FINANCIAL COMMITMENTS

Lease Commitments - Operating Leases
At 31st December 1994 the company had annual commitments of £23,160 under a non-cancellable operating lease which expires in two to five years from the balance sheet date.

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994	1993
	£	£
Profit/(Loss) for the Financial Year	42,945	(52,029)
Issue of Share Capital	-	130,000
NET ADDITION TO SHAREHOLDERS' FUNDS	<u>42,945</u>	<u>77,971</u>
Opening Shareholders' Funds	77,971	-
CLOSING SHAREHOLDERS' FUNDS	<u>120,916</u>	<u>77,971</u>
Equity interests	<u>120,916</u>	<u>77,971</u>