

Report of the Directors and
Financial Statements
for the Year Ended 31 December 1999
for
JRD Fluorochemicals Limited



JRD Fluorochemicals Limited

Company Information
for the Year Ended 31 December 1999

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

AUDITORS:

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



JRD Fluorochemicals Limited

Report of the Directors **for the Year Ended 31 December 1999**

The directors present their report with the financial statements of the company for the year ended 31 December 1999.

PRINCIPAL ACTIVITY

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

DIRECTORS

The directors during the year under review were:

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

The beneficial interests of the directors holding office on 31 December 1999 in the issued share capital of the company were as follows:

	31.12.99	1.1.99
Ordinary £1 shares		
Dr J Jappy	40,000	40,000
L E Jappy	-	-
R J E Tidswell	23,000	23,000
D M Patel	10,000	10,000

No share options were issued or granted during the year.

YEAR 2000 COMPLIANCE

The directors have monitored the impact of the Year 2000 on the business and are pleased to report that no problems have thus far been encountered. All systems will continue to be reviewed and any failures will be dealt with promptly.

CHARITABLE DONATIONS

During the year ended 31 December 1999, £350 was donated to various local charities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

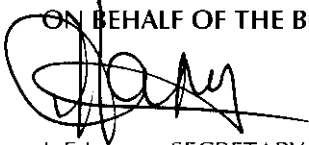


JRD Fluorochemicals Limited

Report of the Directors
for the Year Ended 31 December 1999

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



L E Jappy - SECRETARY

Dated: 22 May 2000



JRD Fluorochemicals Limited

Report of the Auditors to the Shareholders of
JRD Fluorochemicals Limited

We have audited the financial statements on pages five to ten which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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



Dated: 22 May 2000



IRD Fluorochemicals Limited

Profit and Loss Account
for the Year Ended 31 December 1999

		1999	1998
	Notes	£	£
TURNOVER	2	864,790	736,076
Cost of sales		<u>297,219</u>	<u>235,931</u>
GROSS PROFIT		567,571	500,145
Administrative expenses		<u>415,907</u>	<u>365,437</u>
OPERATING PROFIT	3	151,664	134,708
Interest receivable and similar income		<u>9,598</u>	<u>8,501</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		161,262	143,209
Tax on profit on ordinary activities	4	<u>32,288</u>	<u>29,931</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		128,974	113,278
Dividends	5	<u>26,000</u>	<u>15,600</u>
		102,974	97,678
Retained profit brought forward		<u>273,719</u>	<u>176,041</u>
RETAINED PROFIT CARRIED FORWARD		<u>£376,693</u>	<u>£273,719</u>

The notes form part of these financial statements




JRD Fluorochemicals Limited

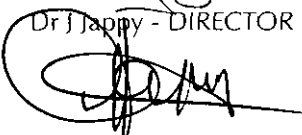
Balance Sheet
31 December 1999

	Notes	1999		1998	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	6		21,486		26,415
CURRENT ASSETS:					
Stocks		142,648		93,384	
Debtors	7	160,845		113,411	
Cash at bank and in hand		271,251		257,311	
		574,744		464,106	
CREDITORS: Amounts falling due within one year	8	89,537		86,802	
NET CURRENT ASSETS:			485,207		377,304
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£506,693</u>		<u>£403,719</u>
CAPITAL AND RESERVES:					
Called up share capital	10		130,000		130,000
Profit and loss account			376,693		273,719
Shareholders' funds			<u>£506,693</u>		<u>£403,719</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:


Dr J Jappy - DIRECTOR


L E Jappy - DIRECTOR

Approved by the Board on 22 May 2000

The notes form part of these financial statements



JRD Fluorochemicals Limited

Notes to the Financial Statements for the Year Ended 31 December 1999

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

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 and fittings	- 25% on cost
Computer equipment	- 25% on cost

Stocks

Bulk stocks are valued at the lower of cost or net realisable value. Manufactured products and intermediaries are valued at 25% of anticipated selling price, full provision being made for obsolete items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	1999	1998
United Kingdom	40.72%	38.01%
Europe	43.76%	40.18%
Rest of the World	15.52%	21.81%
	<u>100.00%</u>	<u>100.00%</u>



JRD Fluorochemicals Limited
Notes to the Financial Statements
for the Year Ended 31 December 1999

3. OPERATING PROFIT

The operating profit is stated after charging:

	1999 £	1998 £
Depreciation - owned assets	9,900	14,163
Loss on disposal of fixed assets	-	118
Pension costs	19,324	14,218
Auditors' remuneration	1,250	1,250
	<u>213,683</u>	<u>202,137</u>
Directors' emoluments and other benefits etc	<u>213,683</u>	<u>202,137</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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4. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1999 £	1998 £
UK corporation tax	32,327	30,372
Tax overprovided in previous years	(39)	(441)
	<u>32,288</u>	<u>29,931</u>

UK corporation tax has been charged at 20.25% (1998 - 21%).

5. DIVIDENDS

	1999 £	1998 £
Interim dividend - paid	<u>26,000</u>	<u>15,600</u>



JRD Fluorochemicals Limited

**Notes to the Financial Statements
for the Year Ended 31 December 1999**

6. TANGIBLE FIXED ASSETS

	Scientific equipment	Fixtures and fittings	Computer equipment	Totals
	£	£	£	£
COST:				
At 1 January 1999	156,989	11,055	6,344	174,388
Additions	4,380	592	-	4,972
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1999	161,369	11,647	6,344	179,360
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION:				
At 1 January 1999	132,231	10,396	5,347	147,974
Charge for year	8,818	378	704	9,900
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1999	141,049	10,774	6,051	157,874
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE:				
At 31 December 1999	20,320	873	293	21,486
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1998	24,758	659	998	26,415
	<hr/>	<hr/>	<hr/>	<hr/>

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

	1999 £	1998 £
Trade debtors	140,342	92,599
Prepayments and accrued income	20,503	20,812
	<hr/>	<hr/>
	160,845	113,411
	<hr/>	<hr/>

**8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1999 £	1998 £
Trade creditors	29,559	19,465
Other taxes and social security costs	23,151	17,842
Taxation	32,327	26,472
Accruals and deferred income	4,500	23,023
	<hr/>	<hr/>
	89,537	86,802
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JRD Fluorochemicals Limited

Notes to the Financial Statements
for the Year Ended 31 December 1999

9. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

	1999 £	1998 £
Expiring: In more than five years	<u>31,742</u>	<u>32,770</u>

10. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	1999 £	1998 £
130,000	Ordinary	£1	<u>130,000</u>	<u>130,000</u>

