

Company Registration No. 2776051 (England and Wales)

COMPANIES HOUSE COPY

ALTOKEY LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2001

 **Hacker
Young**

Chartered Accountants



St Alphage House 2 Fore Street London EC2Y 5DH

ALTOKEY LIMITED

COMPANY INFORMATION

Director	J Cobb
Secretary	CETC (Nominees) Limited
Company number	2776051
Registered office	St Alphage House 2 Fore Street London EC2Y 5DH
Accountants	Hacker Young St Alphage House 2 Fore Street London EC2Y 5DH
Bankers	National Westminster Bank Plc 10 Benedict Street Cambridge CB2 3PU

ALTOKEY LIMITED

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ALTOKEY LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

The director presents his report and financial statements for the year ended 31 December 2001.

Principal activities and review of the business

In 1993 the company purchased the exclusive rights to a portfolio of paints and related products. The company granted a licence and has been receiving royalties therefrom. The licence terminated on 31 December 1997 and the director is currently reviewing the future of the company.

Results and dividends

The results for the year are set out on page 3.

The director does not recommend payment of an ordinary dividend.

Director

The following director has held office since 1 January 2001:

J Cobb

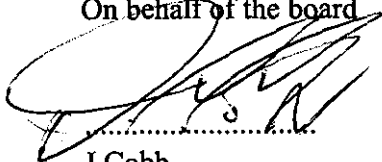
Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary of £ 1 each
	31 December 2001 1 January 2001
J Cobb	- -

The director's interests in the shares of the holding company, Chroma Australia Pty Limited are shown in that company's accounts.

On behalf of the board



J Cobb

Director

1 October 2002



Chartered Accountants

ALTOKEY LIMITED

St Alphage House

2 Fore Street

London EC2Y 5DH

**ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE
UNAUDITED ACCOUNTS OF ALTOKEY LIMITED**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2001, set out on pages 3 to 7 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.


Hacker Young

10 Oct 2002

Chartered Accountants
Reporting Accountants

ALTOKEY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Administrative expenses		(13,184)	(4,453)
Operating loss		(13,184)	(4,453)
Other interest receivable and similar income	2	11,438	12,158
Interest payable and similar charges	3	(9)	-
(Loss)/profit on ordinary activities before taxation		(1,755)	7,705
Tax on (loss)/profit on ordinary activities	4	(5)	(119)
(Loss)/profit on ordinary activities after taxation	9	(1,760)	7,586

The company's operation in the year continued unchanged; no operations were disposed of or acquired.

There are no recognised gains and losses other than those passing through the profit and loss account.

ALTOKEY LIMITED

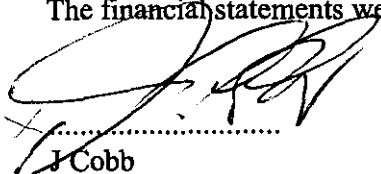
BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Intangible assets	5		-		-
Current assets					
Debtors	6	163,015		165,518	
Cash at bank and in hand		7,534		7,564	
		<u>170,549</u>		<u>173,082</u>	
Creditors: amounts falling due within one year	7	<u>(19,321)</u>		<u>(20,094)</u>	
Total assets less current liabilities			<u>151,228</u>		<u>152,988</u>
Capital and reserves					
Called up share capital	8	10,000		10,000	
Share premium account	9	6,649,267		6,649,267	
Profit and loss account	9	<u>(6,508,039)</u>		<u>(6,506,279)</u>	
Shareholders' funds - equity interests	10		<u>151,228</u>		<u>152,988</u>

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on 1 October 2002



J Cobb
Director

ALTOKEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.4 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 Other interest receivable and similar income

	2001 £	2000 £
Other interest	11,438	12,158

3 Interest payable

	2001 £	2000 £
On overdue tax	9	-

4 Taxation

	2001 £	2000 £
U.K. current year taxation		
U.K. corporation tax at 10% (2000 - 20%)	-	120
Prior years		
U.K. corporation tax	5	(1)
	5	119

ALTOKEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

5 Intangible fixed assets

	Rights £
Cost	
At 1 January 2001 & at 31 December 2001	200,401
Provision	
At 1 January 2001 & at 31 December 2001	200,401
Net book value	
At 1 January 2001 & at 31 December 2001	-

A full provision was made in the prior year against the value of the intangible asset as the rights contract expired on 31 December 1997. The director does not anticipate further income from this contract.

6 Debtors	2001 £	2000 £
Corporation tax	-	12
Other debtors	163,015	165,506
	<u>163,015</u>	<u>165,518</u>

7 Creditors: amounts falling due within one year	2001 £	2000 £
Corporation tax	-	120
Other creditors	15,341	15,341
Accruals and deferred income	3,980	4,633
	<u>19,321</u>	<u>20,094</u>

8 Share capital	2001 £	2000 £
Authorised		
10,000 Ordinary of £ 1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
10,000 Ordinary of £ 1 each	<u>10,000</u>	<u>10,000</u>

ALTOKEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

9 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2001	6,649,267	(6,506,279)
Retained loss for the year	-	(1,760)
	<u>6,649,267</u>	<u>(6,508,039)</u>
Balance at 31 December 2001	<u>6,649,267</u>	<u>(6,508,039)</u>

10 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
(Loss)/Profit for the financial year	(1,760)	7,586
Opening shareholders' funds	<u>152,988</u>	<u>145,402</u>
Closing shareholders' funds	<u>151,228</u>	<u>152,988</u>

11 Employees

Number of employees

There were no employees during the year apart from the director.

12 Control

The immediate parent company is Chroma Australia Pty Limited, a company registered in Australia.

13 Related party transactions

Chroma Acrylics Inc. a company under the control of Mr J Cobb, repaid its loan from Altokey Limited on 9 August 2000. Interest of £6,658 was charged on the loan up until the date of repayment. Altokey Limited owed £14,118 in respect of expenses incurred by Chroma Acrylics Inc. on Altokey Limited's behalf. This amount is disclosed in other creditors.

Chroma Australia Pty Limited, a company also under the control of Mr Cobb owed Altokey Limited £163,015 at 31 December 2001. Interest of £11,438 was charged on this loan for the period 1 July to 31 December 2001. This amount is included in other debtors.