

Registered number: 2830596

Bio-Bubble Limited

Unaudited

**Directors' report and financial statements
For the year ended 31 December 2005**

THURSDAY



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COMPANIES HOUSE

Bio-Bubble Limited

Company information

Directors	J Wikins V Gwynn G McCormick P Saxton
Secretary	J Wickins
Company number	2830596
Registered office	37 St Margaret's Street Canterbury Kent CT1 2TU
Accountants	Reeves & Neylan Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Royal Bank of Scotland plc 14 Rose Lane Canterbury Kent CT1 2TU
Solicitors	Adams & Remers Trinity House School Hill Lewes East Sussex BN7 2NN

Bio-Bubble Limited

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Bio-Bubble Limited

Directors' report

For the year ended 31 December 2005

The directors present their report and the financial statements for the year ended 31 December 2005.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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.

In determining how amounts are presented within items in the profit and loss account and balance sheet, the directors have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

Principal activities

The principal activity of the company continues to be the manufacture and installation of sewage treatment plants.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were

	Ordinary A Shares shares of £1 each		Ordinary B Shares shares of £1 each		Ordinary C Shares shares of £1 each	
	<u>31/12/05</u>	<u>1/1/05</u>	<u>31/12/05</u>	<u>1/1/05</u>	<u>31/12/05</u>	<u>1/1/05</u>
J Wikins	55	55	-	-	-	-
V Gwynn	-	-	-	-	-	-
G McCormick	-	-	20	20	-	-
P Saxton	-	-	-	-	10	10
	Ordinary D Shares shares of £1 each		Ordinary E Shares shares of £1 each			
	<u>31/12/05</u>	<u>1/1/05</u>	<u>31/12/05</u>	<u>1/1/05</u>	<u>31/12/05</u>	<u>1/1/05</u>
J Wikins	-	-	-	-	-	-
V Gwynn	5	5	-	-	-	-
G McCormick	-	-	-	-	-	-
P Saxton	-	-	-	-	-	-

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

Bio-Bubble Limited

**Directors' report
For the year ended 31 December 2005**

This report was approved by the board on 23 July 2007

and signed on its behalf

J Wikins
Director

A handwritten signature in black ink, appearing to read 'J Wikins', written over the printed name and title.

Bio-Bubble Limited

**Accountants' report to the board of directors
on the unaudited financial statements of Bio-Bubble Limited**

In accordance with the engagement letter dated 2 May 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss account, the Balance Sheet, the Statement of Recognised Gains and Losses and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's board of directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of the financial statements.

You have acknowledged on the balance sheet for the year ended 31 December 2005 your duty to ensure that the company has kept proper accounting records and to prepare the financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Reeves & Neylan
Chartered Accountants

Canterbury

23 July 2007

Bio-Bubble Limited

**Profit and loss account
For the year ended 31 December 2005**

	Note	2005 £	As restated 2004 £
Turnover	1	3,952,933	5,953,728
Cost of sales		(3,264,513)	(5,699,370)
Gross profit		688,420	254,358
Administrative expenses		(214,641)	(148,663)
Operating profit	2	473,779	105,695
Interest receivable		15,946	8,070
Interest payable		-	(13)
Profit on ordinary activities before taxation		489,725	113,752
Tax on profit on ordinary activities	3	(131,578)	(15,857)
Profit on ordinary activities after taxation		358,147	97,895
Dividends		(90,500)	(26,300)
Retained profit for the financial year	8	267,647	71,595

The notes on pages 7 to 11 form part of these financial statements

Bio-Bubble Limited

**Statement of total recognised gains and losses
For the year ended 31 December 2005**

	2005 £	As restated 2004 £
Profit for the financial year	358,147	97,895
Total recognised gains and losses relating to the year	358,147	97,895
Prior year adjustment	(91,000)	
Total gains and losses recognised since last financial statements	267,147	

The notes on pages 7 to 11 form part of these financial statements

Bio-Bubble Limited

**Balance sheet
As at 31 December 2005**

	Note	£	2005 £	£	As restated 2004 £
Fixed assets					
Tangible fixed assets	4		157,136		162,914
Current assets					
Debtors	5	695,696		1,059,707	
Cash at bank		433,203		367,060	
			<u>1,128,899</u>	<u>1,426,767</u>	
Creditors amounts falling due within one year	6	(569,307)		(1,140,600)	
Net current assets			<u>559,592</u>		<u>286,167</u>
Total assets less current liabilities			<u><u>716,728</u></u>		<u><u>449,081</u></u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss account	8		716,628		448,981
Shareholders' funds			<u><u>716,728</u></u>		<u><u>449,081</u></u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2005 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the board on 23 July 2007 and signed on its behalf

J Wikins
Director

The notes on pages 7 to 11 form part of these financial statements

**Notes to the financial statements
For the year ended 31 December 2005**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.3 Turnover

Turnover represents revenue due from the normal activities of the business to the extent that the company obtains a right to consideration in exchange for its performance of those activities, exclusive of Value Added Tax

The revenue recognised is measured by reference to the amounts likely to be chargeable to customers, less a suitable allowance to recognise the uncertainties remaining in the completion of the obligations. Contingent income is recognised only when the contingent element is assured

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Mill Quay	-	Straight line over the period of the lease
S/Term leasehold property	-	Straight line over 12 years
Tools and equipment	-	20% reducing balance
Fixtures and fittings	-	15% reducing balance
Office equipment	-	20% reducing balance

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term

1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.7 Research and development

Research and development expenditure is written off in the year in which it is incurred.

Bio-Bubble Limited**Notes to the financial statements
For the year ended 31 December 2005****2. Operating profit**

The operating profit is stated after charging

	2005	2004
	£	£
Depreciation of tangible fixed assets		
- owned by the company	5,778	6,112
Auditors' remuneration	-	1,500
	<hr/>	<hr/>

During the year, no director received any emoluments (2004 - £nil)

3. Taxation

	2005	2004
	£	£
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax charge on profits of the year	125,000	16,701
Adjustments in respect of prior periods	6,578	-
	<hr/>	<hr/>
Total current tax	131,578	16,701
	<hr/>	<hr/>
Deferred tax		
Origination and reversal of timing differences	-	(844)
	<hr/>	<hr/>
Total deferred tax (see note)	-	(844)
	<hr/>	<hr/>
Tax on profit on ordinary activities	131,578	15,857
	<hr/>	<hr/>

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK applicable to the company.

There were no factors that may affect future tax charges

Bio-Bubble Limited

**Notes to the financial statements
For the year ended 31 December 2005**

4. Tangible fixed assets

	Mill Quay £	Improvements to property £	Fixtures and fittings £	Office equipment £	Tools and equipment £	Total £
Cost						
At 1 January 2005 and 31 December 2005	<u>158,600</u>	<u>5,681</u>	<u>3,695</u>	<u>17,077</u>	<u>4,882</u>	<u>189,935</u>
Depreciation						
At 1 January 2005	3,965	4,224	3,189	12,830	2,813	27,021
Charge for the year	3,965	474	76	849	414	5,778
At 31 December 2005	<u>7,930</u>	<u>4,698</u>	<u>3,265</u>	<u>13,679</u>	<u>3,227</u>	<u>32,799</u>
Net book value						
At 31 December 2005	<u>150,670</u>	<u>983</u>	<u>430</u>	<u>3,398</u>	<u>1,655</u>	<u>157,136</u>
At 31 December 2004	<u>154,635</u>	<u>1,457</u>	<u>506</u>	<u>4,247</u>	<u>2,069</u>	<u>162,914</u>

Mill Quay is a long leasehold property

5 Debtors

	2005 £	2004 £
Trade debtors	175,752	99,981
Other debtors	519,846	860,960
Called up share capital not paid	98	98
Amounts recoverable on long term contracts	-	98,668
	<u>695,696</u>	<u>1,059,707</u>

Included within other debtors due within one year is a loan to Ekora Products (UK), a business operated by Mr J Wickins (a director), amounting to £173,296 (2004 - £Nil) The maximum amount outstanding during the year was £173,296

**6. Creditors:
Amounts falling due within one year**

	2005 £	2004 £
Payments received on account	-	343,584
Trade creditors	26,773	36,113
Corporation tax	131,577	16,701
Social security and other taxes	22,866	-
Other creditors	388,091	744,202
	<u>569,307</u>	<u>1,140,600</u>

Included within other creditors due within one year is a loan from Ekora Products (UK), a business operated by Mr J Wickins (a director), amounting to £Nil (2004 - £30,525) The maximum amount outstanding during the year was £30,525

Bio-Bubble Limited

Notes to the financial statements For the year ended 31 December 2005

7. Share capital

	2005 £	2004 £
Authorised		
955 Ordinary A Shares shares of £1 each	955	55
20 Ordinary B Shares shares of £1 each	20	20
10 Ordinary C Shares shares of £1 each	10	10
10 Ordinary D Shares shares of £1 each	10	10
5 Ordinary E Shares shares of £1 each	5	5
	<u>1,000</u>	<u>100</u>
Allotted, called up and fully paid		
55 Ordinary A Shares shares of £1 each	55	55
20 Ordinary B Shares shares of £1 each	20	20
10 Ordinary C Shares shares of £1 each	10	10
10 Ordinary D Shares shares of £1 each	10	10
5 Ordinary E Shares shares of £1 each	5	5
	<u>100</u>	<u>100</u>

8. Reserves

Profit and loss account	£
At 1 January 2005	539,981
Prior year adjustment (note 9)	(91,000)
At 1 January 2005 as restated	448,981
Profit retained for the year	267,647
At 31 December 2005	<u>716,628</u>

9. Prior year adjustment

The company has adopted the requirements of Financial Reporting Standard 21 "Events after the balance sheet date" and as a result dividends are now accounted for when paid. In previous years dividends were accounted for in the year to which they relate. Comparative figures have been restated accordingly.

10. Operating lease commitments

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2005 £	2004 £
Expiry date:		
Between 2 and 5 years	<u>16,070</u>	<u>15,700</u>

Bio-Bubble Limited

Notes to the financial statements For the year ended 31 December 2005

11. Related party transactions

Mr J Wickins, a director of the company, is the proprietor of Ekora Products (UK). During the year there were the following transactions with Ekora Products (UK):

- 1) Arms length purchases from Ekora Products (UK) of £918,000 (2004 £1,280,000)
- 2) Management fee by Ekora Products (UK) of £35,000 (2004 Charged to Ekora Products (UK) £40,000)
- 3) Sub-contracted research and development expenditure of £Nil (2004 £94,423)

At 31 December 2005 the company were owed from Ekora Products (UK) £173,296 (2004 owed to Ekora Products (UK) £30,525).

At 31 December 2005 the company had an interest free loan of £44,318 owed to Mr J Wickins (2003 £44,318)

12. Controlling party

The company is under the control of one of the directors, Mr J Wickins, by virtue of his 100% shareholding in 'A' Ordinary shares, representing 55% of the total issued share capital.