

Company Registration No 03558392 (England and Wales)

MICROZONE LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2008



MICROZONE LIMITED

COMPANY INFORMATION

Directors

H Steingrimsdottir
D J Gillard

Secretary

D J Gillard

Company number

03558392

Registered office

4 Heath Square, Boltro Road
Haywards Heath
West Sussex RH16 1BL

Accountants**Business address**

4 Heath Square, Boltro Road
Haywards Heath
West Sussex RH16 1BL

Bankers

National Westminster Bank plc
Haywards Heath Business Centre
Haywards Heath
RH16 4FE

MICROZONE LIMITED

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MICROZONE LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MAY 2008

The directors present their report and financial statements for the period ended 31 May 2008

Principal activities

The principal activity of the company continued to be the manufacture and sale of biotechnology products

Directors

The following directors have held office since 1 June 2007

H Steingrimsdottir

D J Gillard

| Charitable donations | 2008 £ | 2007 £ |
|---|-----------|-----------|
| During the period the company made the following payments | | |
| Charitable donations | 5,000 | - |

The recipient of the charitable donations was The Lorica Trust, whose purpose to assist the homeless in Brighton

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

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

By order of the board



D J Gillard

Secretary

9 October 2008

MICROZONE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MAY 2008

| | | 2008 | 2007 |
|--|--------------|-------------|-------------|
| | Notes | £ | £ |
| Turnover | | 455,582 | 396,348 |
| Cost of sales | | (110,459) | (105,119) |
| Gross profit | | 345,123 | 291,229 |
| Distribution costs | | (6,004) | (7,593) |
| Administrative expenses | | (188,582) | (152,370) |
| Other operating income | | (30,217) | 17,833 |
| Operating profit | 2 | 120,320 | 149,099 |
| Other interest receivable and similar income | 3 | 907 | 1,265 |
| Profit on ordinary activities before taxation | | 121,227 | 150,364 |
| Tax on profit on ordinary activities | 4 | (24,246) | (29,552) |
| Profit for the period | 11 | 96,981 | 120,812 |

The profit and loss account has been prepared on the basis that all operations are continuing operations

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

MICROZONE LIMITED

BALANCE SHEET

AS AT 31 MAY 2008

| | Notes | 2008 £ | £ | 2007 £ | £ |
|---|-------|------------------|----------------|-----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 6 | | 2,992 | | 5,076 |
| Current assets | | | | | |
| Stocks | | 102,095 | | 66,556 | |
| Debtors | 7 | 60,255 | | 43,213 | |
| Cash at bank and in hand | | 135,794 | | 124,110 | |
| | | <u>298,144</u> | | <u>233,879</u> | |
| Creditors: amounts falling due within one year | 8 | <u>(123,889)</u> | | <u>(69,505)</u> | |
| Net current assets | | | 174,255 | | 164,374 |
| Total assets less current liabilities | | | <u>177,247</u> | | <u>169,450</u> |
| Provisions for liabilities | | | - | | (557) |
| | | | <u>177,247</u> | | <u>168,893</u> |
| Capital and reserves | | | | | |
| Called up share capital | 10 | | 12,750 | | 12,750 |
| Profit and loss account | 11 | | 164,497 | | 156,143 |
| Shareholders' funds | 12 | | <u>177,247</u> | | <u>168,893</u> |

MICROZONE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2008

In preparing these financial statements

- (a) The directors are 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 directors acknowledge their 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 period and of its profit or loss for the financial period 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

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Board and authorised for issue on 9 October 2008



H Steingrimsdottir
Director



D J Gillard
Director

MICROZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MAY 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 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.

1.5 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 less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|------------------------------|
| Plant and machinery | 20% on a straight line basis |
| Fixtures, fittings & equipment | 20% on a straight line basis |

1.6 Stock

Stock is valued at the lower of cost and net realisable value

1.7 Pensions

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 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.

1.10 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

MICROZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2008

| | | | |
|----------|---|-------------------|-------------------|
| 2 | Operating profit | 2008 | 2007 |
| | | £ | £ |
| | Operating profit is stated after charging | | |
| | Depreciation of tangible assets | 2,305 | 6,438 |
| | Loss on foreign exchange transactions | 8,959 | 13,961 |
| | Research and development | 43 | 8 |
| | Directors' emoluments | 40,000 | 20,000 |
| | and after crediting | | |
| | Government grants | 30,217 | (16,308) |
| | | <u> </u> | <u> </u> |

The amount repayable under government grants represents overpayments made by the EU in previous years

| | | | |
|----------|--------------------------|-------------------|-------------------|
| 3 | Investment income | 2008 | 2007 |
| | | £ | £ |
| | Bank interest | 659 | 707 |
| | Other interest | 248 | (149) |
| | | <u> </u> | <u> </u> |
| | | 907 | 1,265 |
| | | <u> </u> | <u> </u> |

MICROZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2008

| 4 | Taxation | 2008 £ | 2007 £ |
|---|---|-----------|-----------|
| | Domestic current year tax | | |
| | U K corporation tax | 24,803 | 30,544 |
| | Current tax charge | 24,803 | 30,544 |
| | Deferred tax | | |
| | Deferred tax charge/credit current year | (557) | (992) |
| | | 24,246 | 29,552 |
| | Factors affecting the tax charge for the period | | |
| | Profit on ordinary activities before taxation | 121,227 | 150,364 |
| | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.17% (2007 - 19.00%) | 24,451 | 28,569 |
| | Effects of | | |
| | Non deductible expenses | 51 | 25 |
| | Depreciation add back | 465 | 1,223 |
| | Capital allowances | (131) | (231) |
| | Other tax adjustments | (33) | 958 |
| | | 352 | 1,975 |
| | Current tax charge | 24,803 | 30,544 |
| 5 | Dividends | 2008 £ | 2007 £ |
| | Ordinary interim paid | 88,629 | 63,945 |

MICROZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2008

6 Tangible fixed assets

| | Plant and machinery etc |
|-----------------------|-------------------------|
| | £ |
| Cost | |
| At 1 June 2007 | 57,121 |
| Additions | 221 |
| | <hr/> |
| At 31 May 2008 | 57,342 |
| | <hr/> |
| Depreciation | |
| At 1 June 2007 | 52,045 |
| Charge for the period | 2,305 |
| | <hr/> |
| At 31 May 2008 | 54,350 |
| | <hr/> |
| Net book value | |
| At 31 May 2008 | 2,992 |
| | <hr/> |
| At 31 May 2007 | 5,076 |
| | <hr/> |

| 7 Debtors | 2008 £ | 2007 £ |
|---------------|-----------|-----------|
| Trade debtors | 53,821 | 42,900 |
| Other debtors | 6,434 | 313 |
| | <hr/> | <hr/> |
| | 60,255 | 43,213 |
| | <hr/> | <hr/> |

| 8 Creditors: amounts falling due within one year | 2008 £ | 2007 £ |
|--|-----------|-----------|
| Bank loans and overdrafts | 5,987 | 9,809 |
| Trade creditors | 42,191 | 12,370 |
| Taxation and social security | 26,716 | 35,017 |
| Other creditors | 48,995 | 12,309 |
| | <hr/> | <hr/> |
| | 123,889 | 69,505 |
| | <hr/> | <hr/> |

MICROZONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2008

9 Pension and other post-retirement benefit commitments

Defined contribution

| | 2008 £ | 2007 £ |
|---|-----------|-----------|
| Contributions payable by the company for the period | 20,000 | - |

10 Share capital

| | 2008 £ | 2007 £ |
|---|-----------|-----------|
| Authorised | | |
| 100,000 Ordinary of £1 each | 100,000 | 100,000 |
| Allotted, called up and fully paid | | |
| 12,750 Ordinary of £1 each | 12,750 | 12,750 |

11 Statement of movements on profit and loss account

| | Profit and loss account £ |
|------------------------|------------------------------------|
| Balance at 1 June 2007 | 156,145 |
| Profit for the period | 96,981 |
| Dividends paid | (88,629) |
| Balance at 31 May 2008 | 164,497 |

12 Reconciliation of movements in shareholders' funds

| | 2008 £ | 2007 £ |
|-------------------------------------|-----------|-----------|
| Profit for the financial period | 96,981 | 120,812 |
| Dividends | (88,629) | (63,945) |
| Net addition to shareholders' funds | 8,352 | 56,867 |
| Opening shareholders' funds | 168,893 | 112,026 |
| Closing shareholders' funds | 177,247 | 168,893 |