

154034
ALBACHEM LIMITED
Registered Number: SCT5034

Directors' Report and Financial Statements

For the year ended 31 July 1997



ALBACHEM LIMITED

Director's Report and Financial Statements

For the year ended 31 July 1997

Contents	Pages
Director's Report	1
Accountants' Report to the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5 - 7

Directors

J F Ramage
R Ramage

Secretary

S C Brock

Accountants

Scott-Moncrieff Downie Wilson

Bankers

Lloyds Bank plc

Registered office

17 Melville Street
Edinburgh
EH3 7PH

ALBACHEM LIMITED

Director's Report

For the year ended 31 July 1997

The directors present their report and financial statements for the year ended 31 July 1997.

Principal activity

The principal activity of the company is scientific research.

Review of the business and future developments

Dividends and transfers to reserves

The directors do not recommend a dividend. The loss for the year of £15,920 is transferred to reserves.

Directors and their interests

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

	Ordinary shares of 50p each	
	31 July 1997	31 July 1996
R Ramage	121	121
J F Ramage	47	47

By order of the Board

S. C. Brock

Secretary
S C Brock

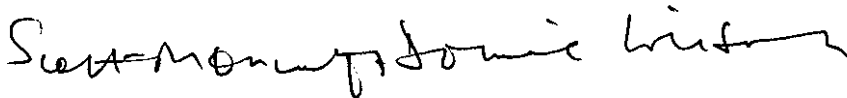
15th March 1998

ALBACHEM LIMITED

Accountants' Report to the Directors

For the year ended 31 July 1997

As described on page 4 you are responsible for the preparation of the financial statements and you consider that the company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfil your responsibilities, we have prepared the financial statements on pages 3 to 7 from the accounting records and from information and explanations supplied to us.



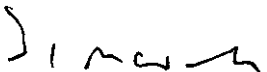
SCOTT-MONCRIEFF DOWNIE WILSON

Chartered Accountants

17 Melville Street

Edinburgh

EH3 7PH



1998

ALBACHEM LIMITED**Profit and Loss Account****For the year ended 31 July 1997**

	Notes	1997 £	1996 £
Turnover - continuing operations	2	48,653	60,051
Other income		15,716	24,320
Total income		64,369	84,371
Cost of sales		(66,047)	(41,581)
Gross (loss)/profit		(1,678)	42,790
Overheads		(15,048)	(4,984)
Bank interest received		806	439
Operating (loss)/profit - continuing operations	3	(15,920)	38,245
Tax on profit on ordinary activities	5	-	(4,941)
(Loss)/profit for the year after taxation		(15,920)	33,304
Profit/(loss) brought forward		31,835	(1,469)
Profit carried forward		15,915	31,835

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been prepared.

The notes on pages 5 to 7 form part of these financial statements

ALBACHEM LIMITED

Balance Sheet

As at 31 July 1997

	Notes	1997	1996
		£	£
Fixed assets			
Tangible assets	6	13,830	20,433
Current assets			
Bank		15,712	25,321
Debtors	7	9,255	14,290
		<u>24,967</u>	<u>39,611</u>
Creditors: Amounts falling due within one year	8	<u>(22,784)</u>	<u>(28,111)</u>
Net current assets		2,183	11,500
Net assets		<u>16,013</u>	<u>31,933</u>
Capital and reserves			
Equity share capital	9	98	98
Profit and loss account		15,915	31,835
Shareholders' funds	9	<u>16,013</u>	<u>31,933</u>

The directors:

1. confirm that for the year ended 31 July 1997 the company was entitled to the exemption under subsection (1) of section 249A;
2. confirm that no notice requiring an audit had been deposited under subsection (2) of s249B in relation to the financial statements for the financial year; and
3. acknowledge their responsibility for:
 - a) ensuring that the company keeps accounting records which comply with section 221; 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 the financial year 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 the Companies Act 1985 relating to accounts, so far as applicable to the company.

The financial statements were approved by
the directors on 18th March 1998

R Ramage Director
R Ramage

The notes on pages 5 to 7 form part of these financial statements

ALBACHEM LIMITED

Notes to the Financial Statements

For the year ended 31 July 1997

1. Accounting policies

Basis of Accounting

The financial statements have been prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all fixed assets at rates calculated to write off the cost or valuation less estimated residual value of each asset evenly over its expected useful life as follows:-

All assets 33% straight line

Cashflow statement

The company is exempt from preparing a cashflow statement in compliance with the Financial Reporting Standard No1.

Government grants

Grants of a revenue nature are credited to income in the period to which they relate.

2. Turnover

Turnover relates entirely to scientific research activities. Turnover is stated net of VAT and arises within the UK. The company received a SMART award during the year.

3. Operating profit	1997 £	1996 £
Operating profit is stated after charging:		
Depreciation	7,603	2,001
Director's remuneration	-	-
	<hr/>	<hr/>

4. Staff costs

The company had no employees during the year.

5. Taxation	1997 £	1996 £
Corporation tax on profit for the period	-	4,941
	<hr/>	<hr/>

ALBACHEM LIMITED

Notes to the Financial Statements - continued

For the year ended 31 July 1997

6.	Fixed assets	Plant & Machinery £	Office Equipment £	Furniture & Fixtures £	Total £
	Cost				
	At 1 August 1996	18,500	3,545	430	22,475
	Additions	1,000	-	-	1,000
	At 31 July 1997	19,500	3,545	430	23,475
	Depreciation				
	At 1 August 1996	1,526	398	118	2,042
	Charged in year	6,278	1,182	143	7,603
	At 31 July 1997	7,804	1,580	261	9,645
	Net Book Value				
	At 31 July 1997	11,696	1,965	169	13,830
	At 31 July 1996	16,974	3,147	312	20,433
7.	Debtors			1997 £	1996 £
	Trade debtors			2,333	10,520
	Other debtors			6,922	3,770
				9,255	14,290
8.	Creditors			1997 £	1996 £
	Trade creditors			20,965	22,170
	Accruals			1,017	1,000
	Corporation tax			802	4,941
	Loan			-	-
				22,784	28,111

ALBACHEM LIMITED

Notes to the Financial Statements - continued

For the year ended 31 July 1997

9. Capital and reserves	1997 £	1996 £
Ordinary equity shares of 50 pence each		
Authorised	<u>1,000</u>	<u>1,000</u>
Issued	<u>98</u>	<u>98</u>
<i>Reconciliation of movement in shareholder's funds</i>	<i>1997 £</i>	<i>1996 £</i>
Opening shareholder's funds	31,933	(1,371)
Retained (loss)/profit	<u>(15,920)</u>	<u>33,304</u>
Closing shareholder's funds	<u>16,013</u>	<u>31,933</u>