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SYNERMED ENVIRONMENTAL AND ANALYTICAL LIMITED

Year Ended 30th June 2002

Company number 4008521



SYNERMED ENVIRONMENTAL AND ANALYTICAL LIMITED

REPORT AND FINANCIAL STATEMENTS

Year Ended 30th June 2002

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REPORT OF THE DIRECTORS

The Directors submit their Report and the Financial Statements of the Company for the year to 30th June 2002.

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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.

PRINCIPAL ACTIVITY

The Company was formed on 6th June 2000 (as Anglobonus Ltd) and commenced to trade on 20th September 2000. Its principal activity is the manufacture of analysers.

DIRECTORS AND THEIR SHARE INTERESTS

The Directors at 30th June 2002 and their interests in the share capital of the Company were as follows:

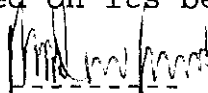
	<u>At 30th June 2002</u>	<u>2001</u>
J.E.Brathwaite	12750	12750
T.Brittain	29750	29750
Dr.P.M.Maguire	-	-
M.A.Rowland	12750	12750
A.N.L.Kay (appointed 29th January 2002)	1200	-

Mr A.N.L.Kay has been granted options over 2125 shares at a price of £10 per share, exercisable up until 24th April 2009.

AUDIT

The Company has taken advantage of the exemption from an audit conferred on it under s249 of the Companies Act 1985, as amended, as it satisfied the appropriate conditions since incorporation.

The Directors Report, which has been prepared in accordance with the special provisions of part VII of the Companies Act 1985, relating to small companies was approved by the Board on 24th April 2003 and signed on its behalf:


Director

ACCOUNTANTS REPORT TO THE DIRECTORS ON THE UNAUDITED
ACCOUNTS OF SYNERMED ENVIRONMENTAL AND ANALYTICAL LIMITED

As described on the balance sheet on page 4, you are responsible for the preparation of the accounts for the year ended 30th June 2002 set out on pages 3 to 8 and you consider that the Company is exempt from audit and from a report under Section 249(2) of the Companies Act 1985.

As instructed we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records, information and explanations supplied to us, and we report that they are in accordance therewith.

Lingfield
Surrey

----- 24th April 2003


Kemsley & Co
CHARTERED ACCOUNTANTS

PROFIT AND LOSS ACCOUNTYear Ended 30th June 2002

	<u>Notes</u>	<u>£</u>	<u>2001</u> <u>£</u>
<u>TURNOVER</u>	2	441204	439030
Cost of Sales		321168	354998
		-----	-----
<u>GROSS PROFIT</u>		120036	84032
Administrative Expenses (net)		232301	162931
		-----	-----
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>	3	(112265)	(78899)
Taxation	4	-	-
		-----	-----
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		(112265)	(78899)
Balance brought forward		(78899)	-
		-----	-----
Balance carried forward		(191164)	(78899)
		=====	=====

There were no other realised gains or losses.

The notes on pages 5 - 8 form part of these Financial Statements

BALANCE SHEET AT 30th JUNE 2002

	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>2001</u>	<u>£</u>
<u>FIXED ASSETS</u>					
Tangible Assets	1 (b) & 5		24319		23337
<u>CURRENT ASSETS</u>					
Stocks and WIP	1 (d)	64472		68874	
Debtors and Prepayments	6	53330		126445	
Cash at Bank and in Hand		138919		78083	
		-----		-----	
		256721		273402	
CREDITORS: Amounts falling due within one year	7	177857		200533	
		-----		-----	
<u>NET CURRENT ASSETS</u>			78864		72869
			-----		-----
			103183		96206
CREDITORS: Amounts falling due outside one year	8	6945		10105	
		-----		-----	
		96238		86101	
		=====		=====	
<u>CAPITAL AND RESERVES</u>					
Called Up Share Capital	9		95199		85000
Share Premium Account			192203		80000
Profit and Loss Account			(191164)		(78899)
			-----		-----
			96238		86101
			=====		=====

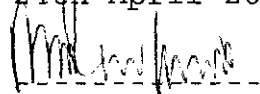
The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of s249A(1) of the Companies Act 1985.

Members have not required the company, under s249B(2) of the Companies Act 1985, to obtain an audit for the year ended 30th June 2002.

The Directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with s221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company at 30th June 2002 and of its profit for the year then ended, in accordance with s226, and which otherwise comply with the requirements of the Act relating to the 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 applicable to small companies.

The Financial Statements were approved by the board on 24th April 2003 and signed on its behalf.


Director

The notes on pages 5 - 8 form part of these Financial Statements

NOTES TO THE FINANCIAL STATEMENTSYear Ended 30th June 20021.ACCOUNTING POLICIESa)Basis of Accounting

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities and on the Going Concern basis which the Directors consider appropriate.

b)Depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Computer and Office Equipment	25% per annum
Plant and Machinery	25% per annum

c)Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risk of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all the benefits of ownership remain with the lessor are charged to profit and loss account as incurred.

d)Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

e)Research and development

Expenditure on research and development is written off in the year it is incurred, except that development expenditure incurred on an individual project is carried forward as permitted by SSAP 13 where its future recoverability can reasonably be regarded as assured. The expenditure carried forward is treated as an intangible asset and amortised over its estimated useful economic life.

NOTES TO THE FINANCIAL STATEMENTS (cont)Year Ended 30th June 20022. TURNOVER

Turnover represents the invoiced amount of goods and services supplied and is stated net of VAT. All the turnover was derived from the UK market.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging/crediting:	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Depreciation of tangible assets-owned	2941	622
-leased	3558	204
Directors Emoluments	44678	40303
Directors Pension Costs	4936	913
Research and Development	117946	65315
Interest Receivable	(979)	(1966)
	=====	=====

The average weekly number of employees was 5.

4. TAXATION

No liability is expected to arise for the period under review.

5. FIXED ASSETS

	<u>Office Equipment</u>	<u>Plant & Machinery</u>	<u>Total</u>
<u>Cost</u>	<u>£</u>	<u>£</u>	<u>£</u>
Brought forward	9362	14801	24163
Additions	-	7481	7481
	----	-----	-----
At 30th June 2002	9362	22282	31644
	=====	=====	=====
<u>Depreciation</u>			
Brought forward	510	316	826
Charge for period	2341	4158	6499
	----	-----	-----
At 30th June 2002	2851	4474	7325
	=====	=====	=====
<u>Net Book Value</u>			
At 30th June 2002	6511	17808	24319
	=====	=====	=====
At 30th June 2001	8852	14485	23337
	=====	=====	=====

Included above are assets with a cost of £14231 and net book value of £10080 held under finance leases.

6. DEBTORS

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Trade Debtors	44572	119778
Prepayments	8758	6667
	-----	-----
	53330	126445
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (cont)Year Ended 30th June 2002

7.CREDITORS:Amounts falling due within one year	<u>2002</u> £	<u>2001</u> £
Trade Creditors	64454	75127
Accruals and Deferred Income	90891	104134
Taxation and Social Security	19352	18555
Finance Leases-current	3160	2717
	-----	-----
	177857	200533
	=====	=====

8.CREDITORS:Amounts falling due outside one year	<u>2002</u> £	<u>2001</u> £
Finance Leases	6945	10105
	=====	=====
Of the above amount £3604 is due between one and two years and £3341 between two and five years.		

9.CALLED UP SHARE CAPITAL	<u>2002</u> £	<u>2001</u> £
Authorised		
115000 Ordinary shares of £1	115000	85000
	=====	=====
Issued and Fully Paid		
95199 (2001:85000) Ordinary shares of £1	95199	85000
	=====	=====

10.FINANCIAL COMMITMENTS

At 30th June 2002 the company had annual commitments under non cancellable operating leases as follows:

Expiry date:

Within one year	18000
Between two and five years	6894
Over five years	Nil

NOTES TO THE FINANCIAL STATEMENTS (cont)

Year Ended 30th June 2002

11. RELATED PARTIES

During the year the company traded with Synermed Europe Ltd which owns 18% of the company's issued share capital.

All transactions were at arms length and during the period under review purchases from Synermed Europe Ltd amounted to £113179 and sales £27622. At the period end £58324 was owed to that company for purchases and £1569 due from it for sales.

Mr J. Brathwaite provided consultancy services through another business to the value of £6000 on normal commercial terms. £Nil was owing to that business at the year end.

Mr M. Rowland provided consultancy services through another business to the value of £9000 on normal commercial terms. £952 was owing to that business at the year end.