REGISTERED NUMBER: SC303949 (Scotland)

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

FOR

AVANTICELL SCIENCE LIMITED



AVANTICELL SCIENCE LIMITED (REGISTERED NUMBER: SC303949)

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FOR THE YEAR ENDED 31 MARCH 2012

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012

DIRECTORS:	C J Wilde J J Oliver P Bishop D C Thomson
SECRETARY:	J J Oliver
REGISTERED OFFICE:	GibbsYard Buildings Auchincruive Ayr KA6 5HW
REGISTERED NUMBER:	SC303949 (Scotland)
AUDITORS:	Galbraith Pritchards Chartered Accountants & Statutory Auditor 20 Barns Street Ayr Ayrshire KA7 1XA
SOLICITORS:	Holmes Mackillop 109 Douglas Street Blythswood Square Glasgow G2 4HB

REPORT OF THE INDEPENDENT AUDITORS TO AVANTICELL SCIENCE LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages three to eight, together with the full financial statements of AvantiCell Science Limited for the year ended 31 March 2012 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

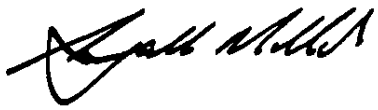
Respective responsibilities of directors and auditors
The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion
We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

Other information
On 10 August 2012 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 31 March 2012 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

"Emphasis of matter - Going concern
In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £169,497 during the year ended 31 March 2012 and, at that date, the company had net liabilities of £159,397. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern."



Archibald Millar Bsc CA (Senior Statutory Auditor)
for and on behalf of Galbraith Pritchards
Chartered Accountants & Statutory Auditor
20 Barns Street
Ayr
Ayrshire
KA7 1XA

Date: 10 August 2012 .

SC303949

AVANTICELL SCIENCE LIMITED

ABBREVIATED BALANCE SHEET
31 MARCH 2012

	Notes	31/3/12 £	31/3/12 £	31/3/11 £	31/3/11 £
FIXED ASSETS					
Intangible assets	2		13,836		53,659
Tangible assets	3		192,287		1,639
Investments	4		10,351		875
			216,474		56,173
CURRENT ASSETS					
Stocks		91,551		68,700	
Debtors		132,963		149,258	
Cash at bank and in hand		10,492		121,931	
		235,006		339,889	
CREDITORS					
Amounts falling due within one year	5	444,905		366,514	
NET CURRENT LIABILITIES			(209,899)		(26,625)
TOTAL ASSETS LESS CURRENT LIABILITIES			6,575		29,548
CREDITORS					
Amounts falling due after more than one year	5		(86,672)		(35,000)
ACCRUALS AND DEFERRED INCOME			(79,300)		(44,448)
NET LIABILITIES			(159,397)		(49,900)
CAPITAL AND RESERVES					
Called up share capital	6		166,500		166,500
Share premium			257,063		257,063
Revaluation reserve			60,004		4
Profit and loss account			(642,964)		(473,467)
SHAREHOLDERS' FUNDS			(159,397)		(49,900)

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 9 August 2012 and were signed on its behalf by:

J J Oliver - Director

The notes form part of these abbreviated accounts

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going Concern

The financial statements have been prepared on a going concern basis. The going concern basis assumes that the the company will continue to trade for the foreseeable future and does not include any adjustments to reflect the realisable value of assets and additional liabilities which would arise were the company to cease to operate.

During the year ended 31 March 2012, the company incurred a net loss of £169,497 and at that date the company's liabilities exceeded its assets by £159,397.

The company's activities include research and development in complex bio-science. Future profits and cash flows from these activities cannot be quantified and there is uncertainty in relation to the going concern status of the company. However, it is noteworthy that in quarter one of 2012/13 the company secured in excess of £1 million of contracts, some of which will extend over four years.

The directors are in the process of raising further financial support in order to meet the ongoing working capital requirements and other commitments.

The directors have prepared financial projections for the period ending 31 March 2015 and are in discussion with various funders regarding investment in the company.

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration.

Turnover includes grants for research and development where the income is in relation to the performance of the company's principal activities.

Exchange gains/losses where these relate to invoiced sales are included in turnover.

Intangible assets
Licence costs
These intangible assets represent the amounts paid to obtain and use particular cell cultures over a specified period. These amounts are written off to the profit and loss account over the period of the contract.

Research and development costs
Development expenditure on clearly defined projects is capitalised where the outcome can be assessed with reasonable certainty as to its technical feasibility and commercial viability, given the disclosures below regarding going concern. Amortisation is commenced in the year the product is released. The directors are of the opinion that the project is commercially viable, however, future events are inherently uncertain. Amortisation is calculated by reference to the expected value and period of sales of the product. All other research and development expenditure is written off in the year in which it is incurred.

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1. ACCOUNTING POLICIES - continued

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 25% on cost
Lab equipment	- 33% on cost

Lab equipment is revalued annually by the directors on a market value basis. Any gain in valuation is taken to the revaluation reserve. Revaluation losses are taken to the profit and loss account. This is a change in accounting policy as previously lab equipment was recorded at its historical cost less depreciation. No change to the previous year's figures is considered to be necessary.

Stocks
Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Grants
Grants are recognised when it is reasonable to expect the the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment. Grants in respect of capital expenditure are credited to a deferred income account and are released as income by equal annual amounts over the expected useful lives of the relevant assets. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

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2. INTANGIBLE FIXED ASSETS

	Total £
COST	
At 1 April 2011	141,541
Additions	3,500
At 31 March 2012	145,041
AMORTISATION	
At 1 April 2011	87,882
Charge for year	43,323
At 31 March 2012	131,205
NET BOOK VALUE	
At 31 March 2012	13,836
At 31 March 2011	53,659

3. TANGIBLE FIXED ASSETS

	Total £
COST OR VALUATION	
At 1 April 2011	96,541
Additions	217,018
At 31 March 2012	313,559
DEPRECIATION	
At 1 April 2011	94,902
Charge for year	26,370
At 31 March 2012	121,272
NET BOOK VALUE	
At 31 March 2012	192,287
At 31 March 2011	1,639

continued...

4. FIXED ASSET INVESTMENTS

	Investments other than loans £
COST OR VALUATION	
At 1 April 2011	875
Additions	9,476
At 31 March 2012	10,351
NET BOOK VALUE	
At 31 March 2012	10,351
At 31 March 2011	875

The company's investments at the balance sheet date in the share capital of companies include the following:

Associated Company

ASEACYTE SDN. BHD.
Country of incorporation: Malaysia
Nature of business: Cell biology

Class of shares:	% holding
Ordinary shares	49.00

	31/12/11 £
Aggregate capital and reserves	(9,528)
Loss for the year	(11,215)

5. CREDITORS

Creditors include an amount of £226,669 (31/3/11 - £50,000) for which security has been given.

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31/3/12 £	31/3/11 £
193,750	Preference	£0.25	48,438	48,438

6. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31/3/12 £	31/3/11 £
100,000	Ordinary	£1	100,000	100,000
66,500	Ordinary A	£1	66,500	66,500
			166,500	166,500

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7. SUBSEQUENT EVENTS

Since the year end the company has entered into finance arrangements in respect of certain assets. This may lead to the reclassification of the deferred income in the current year.

Since the year end, the director Dr J Oliver has lent a further £35,000 to the company and a loan of £21,000 has been received from West of Scotland Loan fund.