

COMPANY REGISTRATION NUMBER 05466753

HISTOLOGIX LIMITED
FINANCIAL STATEMENTS
30 JUNE 2006

HW CHARTERED ACCOUNTANTS

10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

HISTOLOGIX LIMITED
FINANCIAL STATEMENTS
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

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HISTOLOGIX LIMITED
THE DIRECTORS' REPORT
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

The directors present their report and the unaudited financial statements of the company for the period from 28 May 2005 to 30 June 2006.

PRINCIPAL ACTIVITIES

The company was incorporated on 28 May 2005 and commenced trading on 1 November 2005.

The principal activity of the company during the year was the provision of histology study services.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the period together with their beneficial interests in the shares of the company were as follows:

	Class of share	At 30 June 2006	At 28 May 2005 or later date of appointment
Mr D J Fairley	Ordinary A Class	44	44
	Ordinary C Class	380	380
Mr A Lawrence	Ordinary A Class	43	43
	Ordinary C Class	385	385
Mr I C Osborn	Ordinary A Class	44	44
	Ordinary C Class	380	380
Mr M R Dow	Ordinary A Class	43	43
	Ordinary C Class	385	385

Mr D J Fairley was appointed as a director on 28 May 2005.

Mr A Lawrence was appointed as a director on 1 January 2006.

Mr I C Osborn was appointed as a director on 1 January 2006.

Mr M R Dow was appointed as a director on 28 May 2005.

SMALL COMPANY PROVISIONS

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

Registered office:
 Biocity Nottingham
 Pennyfoot Street
 Nottingham
 Nottinghamshire
 NG1 1GF

Signed on behalf of the directors



I C Osborn

Director

Approved by the directors on 10th Jan 07

HISTOLOGIX LIMITED
PROFIT AND LOSS ACCOUNT
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

	Note	Period from 28 May 05 to 30 Jun 06 £
TURNOVER		110,066
Cost of sales		<u>12,106</u>
GROSS PROFIT		97,960
Administrative expenses		<u>177,974</u>
OPERATING LOSS	2	(80,014)
Interest receivable		353
Interest payable and similar charges		<u>(5,381)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(85,042)</u>
LOSS FOR THE FINANCIAL PERIOD		<u><u>(85,042)</u></u>

The notes on pages 6 to 9 form part of these financial statements.

HISTOLOGIX LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

	Period from 28 May 05 to 30 Jun 06 £
Loss for the financial period attributable to the shareholders	(85,042)
Unrealised profit on revaluation of tangible fixed assets:	
Plant & Machinery	<u>23,050</u>
Total gains and losses recognised for the period	<u>(61,992)</u>

The notes on pages 6 to 9 form part of these financial statements.

HISTOLOGIX LIMITED

BALANCE SHEET

30 JUNE 2006

	Note	£	30 Jun 06 £
FIXED ASSETS			
Tangible assets	3		53,819
CURRENT ASSETS			
Stocks		3,650	
Debtors	4	38,091	
		<u>41,741</u>	
CREDITORS: Amounts falling due within one year	5	<u>77,546</u>	
NET CURRENT LIABILITIES			<u>(35,805)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			18,014
CREDITORS: Amounts falling due after more than one year	6		<u>42,856</u>
			<u>(24,842)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	10		37,150
Revaluation reserve	11		23,050
Profit and loss account	12		<u>(85,042)</u>
DEFICIT			<u>(24,842)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the period by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 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 the Act relating to financial statements, so far as applicable to the company.

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

These financial statements were approved by the directors on the 20th Jan 07... and are signed on their behalf by:



I C Osborn
Director

The notes on pages 6 to 9 form part of these financial statements.

HISTOLOGIX LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

- Financial Reporting Standard for Smaller Entities (effective January 2005); and
- FRS 21 'Events after the Balance Sheet date (IAS 10)'.

Financial Reporting Standard for Smaller Entities (effective January 2005)

The adoption of FRSSE 2005 has resulted in a change in accounting policy. Equity dividends paid are no longer shown in the Profit and Loss Account, instead they are disclosed as a movement in shareholders funds as a note to the balance sheet. No adjustment has been required in these financial statements as a result of this change.

FRS 21 'Events after the Balance Sheet date (IAS 10)'

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. No adjustment has been required in these financial statements as a result of this change.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- | | | |
|-------------------|---|----------------------|
| Plant & Machinery | - | 20% Straight Line |
| Equipment | - | 33.33% Straight Line |

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

HISTOLOGIX LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

1. ACCOUNTING POLICIES *(continued)*

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	Period from 28 May 05 to 30 Jun 06 £
Directors' emoluments	99,765
Depreciation of owned fixed assets	1,428
Depreciation of assets held under hire purchase agreements	<u>3,467</u>

3. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Equipment £	Total £
COST OR VALUATION			
Additions	33,049	2,615	35,664
Revaluation	<u>23,050</u>	—	<u>23,050</u>
At 30 June 2006	<u>56,099</u>	<u>2,615</u>	<u>58,714</u>
DEPRECIATION			
Charge for the period	<u>4,314</u>	<u>581</u>	<u>4,895</u>
At 30 June 2006	<u>4,314</u>	<u>581</u>	<u>4,895</u>
NET BOOK VALUE			
At 30 June 2006	<u>51,785</u>	<u>2,034</u>	<u>53,819</u>

HISTOLOGIX LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

On 30 June 2006 assets provided to the company without cost were revalued on a current value basis, to £23,050, by the Directors who consulted with a suitably experienced external valuer.

Hire purchase agreements

Included within the net book value of £53,819 is £22,533 relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the period in respect of such assets amounted to £3,467.

4. DEBTORS

	30 Jun 06 £
Trade debtors	28,638
Directors current accounts	360
Other debtors	9,093
	<u>38,091</u>

5. CREDITORS: Amounts falling due within one year

	30 Jun 06 £
Bank loans and overdrafts	37,485
Trade creditors	9,022
Other taxation and social security	21,247
Hire purchase agreements	8,292
Other creditors	1,500
	<u>77,546</u>

At 30 June 2006 the Company's balance sheet showed a net deficit. The going concern status of the company is dependent on the continued support of the bank, which it has indicated will also be given for the foreseeable future. At the period end the Company was operating within its banking facilities and has continued to do so. As a result the Directors consider that it is appropriate to prepare these accounts under the Going Concern basis.

6. CREDITORS: Amounts falling due after more than one year

	30 Jun 06 £
Bank loans and overdrafts	30,919
Hire purchase agreements	11,937
	<u>42,856</u>

7. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2006 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	30 Jun 06 £
Operating leases which expire:	
Within 2 to 5 years	<u>10,238</u>

HISTOLOGIX LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

8. TRANSACTIONS WITH THE DIRECTORS

No transactions with Directors were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective January 2005).

9. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective January 2005).

10. SHARE CAPITAL

Authorised share capital:

	30 Jun 06
	£
200 Ordinary A Class shares of £50 each	10,000
10,000 Ordinary C Class shares of £10 each	100,000
	<u>110,000</u>

Allotted, called up and fully paid:

	No	£
Ordinary A Class shares of £50 each	200	10,000
Ordinary C Class shares of £10 each	<u>2,715</u>	<u>27,150</u>
	<u>2,915</u>	<u>37,150</u>

During the period the Company authorised 200 Ordinary A Class shares of £50 each and issued these in full. The Company also authorised 10,000 Ordinary C Class shares of £10 each and issued 2,715 of these in the year, which were paid in full.

11. REVALUATION RESERVE

	Period from 28 May 05 to 30 Jun 06 £
Revaluation of fixed assets	<u>23,050</u>
Balance carried forward	<u>23,050</u>

12. PROFIT AND LOSS ACCOUNT

	Period from 28 May 05 to 30 Jun 06 £
Loss for the financial period	<u>(85,042)</u>
Balance carried forward	<u>(85,042)</u>

HISTOLOGIX LIMITED
MANAGEMENT INFORMATION
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

The following pages do not form part of the statutory financial statements.

HISTOLOGIX LIMITED
ACCOUNTANTS' REPORT TO THE DIRECTORS OF HISTOLOGIX LIMITED
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

As described on the balance sheet, the directors of the company are responsible for the preparation of the financial statements for the period ended 30 June 2006, set out on pages 3 to 9.

You consider that the company is exempt from an audit under the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

HW Chartered Accountants

HW CHARTERED ACCOUNTANTS

10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

John
.....

HISTOLOGIX LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

	£	Period from 28 May 05 to 30 Jun 06 £
TURNOVER		110,066
COST OF SALES		
Purchases	15,756	
Closing stock and WIP	<u>(3,650)</u>	
		<u>12,106</u>
GROSS PROFIT		97,960
OVERHEADS		
Directors salaries	99,765	
Directors NIC	10,397	
Wages and salaries	7,205	
Staff NIC	587	
Rent	31,766	
Insurance	7,551	
Repairs and maintenance	224	
Travel and subsistence	151	
Telephone	760	
Printing, stationery and postage	1,085	
Sundry expenses	90	
Computer expenses	953	
Advertising	240	
Entertaining	530	
Legal and professional fees	2,509	
Accountancy fees	1,500	
Depn of plant and machinery	4,314	
Depreciation of office equipment	581	
Operating lease: Equipment	6,911	
Bank charges	<u>855</u>	
		<u>177,974</u>
OPERATING LOSS		(80,014)
Bank interest receivable		<u>353</u>
		<u>(79,661)</u>
Interest payable		<u>(5,381)</u>
LOSS ON ORDINARY ACTIVITIES		<u>(85,042)</u>
INTEREST RECEIVABLE		
Bank interest receivable		<u>353</u>

HISTOLOGIX LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
PERIOD FROM 28 MAY 2005 TO 30 JUNE 2006

	Period from 28 May 05 to 30 Jun 06
	£
INTEREST PAYABLE	
Bank interest payable	3,253
HP/Finance lease charges	<u>2,128</u>
	<u>5,381</u>