

HISTOLOGIX LIMITED
UNAUDITED FINANCIAL STATEMENTS
30 JUNE 2007

HW CHARTERED ACCOUNTANTS

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

HISTOLOGIX LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

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HISTOLOGIX LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr D J Fairley
Mr A Lawrence
Mr I C Osborn
Mr M R Dow

Company secretary

Mr D J Fairley

Registered office

Biocity Nottingham
Pennyfoot Street
Nottingham
Nottinghamshire
NG1 1GF

Accountants

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

HISTOLOGIX LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2007

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30 June 2007.

PRINCIPAL ACTIVITIES

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

DIRECTORS

The directors who served the company during the year were as follows:

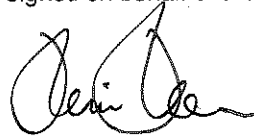
Mr D J Fairley
Mr A Lawrence
Mr I C Osborn
Mr M R Dow

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 14 December 2007

HISTOLOGIX LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2007

		Year to 30 Jun 07	Period from 28 May 05 to 30 Jun 06
	Note	£	£
TURNOVER		508,019	110,066
Cost of sales		<u>77,107</u>	<u>12,106</u>
GROSS PROFIT		430,912	97,960
Distribution costs		1,594	–
Administrative expenses		<u>348,214</u>	<u>177,974</u>
OPERATING PROFIT/(LOSS)	2	81,104	(80,014)
Interest receivable		–	353
Interest payable and similar charges		<u>(6,496)</u>	<u>(5,381)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		74,608	(85,042)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>74,608</u>	<u>(85,042)</u>

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

HISTOLOGIX LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 30 JUNE 2007

	Year to 30 Jun 07 £	Period from 28 May 05 to 30 Jun 06 £
Profit/(Loss) for the financial year attributable to the shareholders	74,608	(85,042)
Unrealised profit on revaluation of tangible fixed assets:		
Plant & Machinery	<u>9,500</u>	<u>23,050</u>
Total gains and losses recognised since the last annual report	<u>84,108</u>	<u>(61,992)</u>

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

HISTOLOGIX LIMITED

BALANCE SHEET

30 JUNE 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	3	56,952	53,819
CURRENT ASSETS			
Stocks		71,127	3,650
Debtors	4	116,716	38,091
		187,843	41,741
CREDITORS: Amounts falling due within one year	5	160,614	77,546
NET CURRENT ASSETS/(LIABILITIES)		27,229	(35,805)
TOTAL ASSETS LESS CURRENT LIABILITIES		84,181	18,014
CREDITORS: Amounts falling due after more than one year	6	24,915	42,856
		59,266	(24,842)
CAPITAL AND RESERVES			
Called-up equity share capital	10	37,150	37,150
Revaluation reserve	11	21,430	23,050
Profit and loss account	12	686	(85,042)
SHAREHOLDERS' FUNDS/(DEFICIT)		59,266	(24,842)

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 year 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 year and of its profit or loss for the financial year 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 and authorised for issue on 14.12.2007, 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
YEAR ENDED 30 JUNE 2007

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).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, 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

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Stocks

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

Work in progress

Work in progress is valued on the basis of direct cost. 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.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

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.

HISTOLOGIX LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2007

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging/(crediting):

	Year to 30 Jun 07 £	Period from 28 May 05 to 30 Jun 06 £
Depreciation of owned fixed assets	6,556	1,428
Depreciation of assets held under hire purchase agreements	5,200	3,467
Net profit on foreign currency translation	<u>(2,308)</u>	<u>—</u>

3. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Equipment £	Total £
COST OR VALUATION			
At 1 July 2006	56,099	2,615	58,714
Additions	5,235	154	5,389
Revaluation	9,500	—	9,500
At 30 June 2007	<u>70,834</u>	<u>2,769</u>	<u>73,603</u>
DEPRECIATION			
At 1 July 2006	4,314	581	4,895
Charge for the year	11,443	313	11,756
At 30 June 2007	<u>15,757</u>	<u>894</u>	<u>16,651</u>
NET BOOK VALUE			
At 30 June 2007	<u>55,077</u>	<u>1,875</u>	<u>56,952</u>
At 30 June 2006	<u>51,785</u>	<u>2,034</u>	<u>53,819</u>

On 28 February 2007 assets acquired by the company at no cost were revalued on a current value basis to £9,500 by the Directors who consulted with a suitably experienced external valuer.

Hire purchase agreements

Included within the net book value of £56,952 is £17,333 (2006 - £22,533) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £5,200 (2006 - £3,467).

4. DEBTORS

	2007 £	2006 £
Trade debtors	102,857	28,638
Directors current accounts	1,075	360
Other debtors	12,784	9,093
	<u>116,716</u>	<u>38,091</u>

HISTOLOGIX LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2007

5. CREDITORS: Amounts falling due within one year

	2007	2006
	£	£
Bank loans and overdrafts	15,586	37,485
Trade creditors	97,720	9,022
Other taxation and social security	16,900	21,247
Hire purchase agreements	9,415	8,292
Other creditors	20,993	1,500
	<u>160,614</u>	<u>77,546</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2007	2006
	£	£
Secured debt < 1 Yr: Hire purchase/finance lease	<u>9,415</u>	<u>8,292</u>

Personal guarantees have been given by the directors in respect of the bank borrowings of the company.

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

	2007	2006
	£	£
Bank loans	22,393	30,919
Hire purchase agreements	2,522	11,937
	<u>24,915</u>	<u>42,856</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2007	2006
	£	£
Secured debt >1 Yr: Hire purchase/finance lease	<u>2,522</u>	<u>11,937</u>

Personal guarantees have been given by the directors in respect of the bank borrowings of the company.

7. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2007 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2007	2006
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>47,016</u>	<u>10,238</u>

8. TRANSACTIONS WITH THE DIRECTORS

At the year end the Directors' Current Account was overdrawn by £1,075 (2006: £360). This was the maximum amount overdrawn during the year. The balance was repaid within 9 months of the year end.

9. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under the FRSSSE 2005.

HISTOLOGIX LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2007

10. SHARE CAPITAL

Authorised share capital:

	2007 £	2006 £
10,000 (2006: 200) Ordinary A Class shares of £1 each (2006: £50 each)	10,000	10,000
90,000 (2006: 9,000) Ordinary C Class shares of £1 each (2006: £10 each)	90,000	90,000
	100,000	100,000

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary A Class shares of £1 each (2006: £50 each)	10,000	10,000	200	10,000
Ordinary C Class shares of £1 each (2006: £10 each)	27,150	27,150	2,715	27,150
	37,150	37,150	2,915	37,150

During the year the authorised share capital was re-designated as 10,000 'A' Ordinary shares of £1 each and 90,000 'C' Ordinary shares of £1 each.

The issued share capital was also re-designated as 10,000 'A' Ordinary shares of £1 each and 27,150 'C' Ordinary shares of £1 each.

11. REVALUATION RESERVE

	Year to 30 Jun 07 £	Period from 28 May 05 to 30 Jun 06 £
Balance brought forward	23,050	-
Revaluation of fixed assets	9,500	23,050
Transfer to the Profit and Loss Account on realisation	(11,120)	-
Balance carried forward	21,430	23,050

12. PROFIT AND LOSS ACCOUNT

	Year to 30 Jun 07 £	Period from 28 May 05 to 30 Jun 06 £
Balance brought forward	(85,042)	-
Profit/(loss) for the financial year	74,608	(85,042)
Transfer from revaluation reserve	11,120	-
Balance carried forward	686	(85,042)

HISTOLOGIX LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 30 JUNE 2007

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

HISTOLOGIX LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF HISTOLOGIX LIMITED

YEAR ENDED 30 JUNE 2007

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 30 June 2007 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

HW Chartered Accountants

HW CHARTERED ACCOUNTANTS
Chartered Accountants

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

20/12/17

HISTOLOGIX LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2007

	Year to 30 Jun 07	Period from 28 May 05 to 30 Jun 06
	£	£
TURNOVER	508,019	110,066
COST OF SALES		
Opening stock and WIP	3,650	-
Purchases	143,687	15,756
Subcontract	897	-
	<u>148,234</u>	<u>15,756</u>
Closing stock and WIP	(71,127)	(3,650)
	<u>77,107</u>	<u>12,106</u>
GROSS PROFIT	<u>430,912</u>	<u>97,960</u>
OVERHEADS		
Freight and carriage	1,594	-
Directors salaries	115,354	99,765
Directors NIC	12,162	10,397
Wages and salaries	96,344	7,205
Staff NIC	9,031	587
Rent	48,039	31,766
Insurance	7,092	7,551
Repairs and maintenance	1,284	224
Travel and subsistence	3,294	151
Telephone	325	760
Printing, stationery and postage	784	1,085
Sundry expenses	7,461	90
Computer expenses	1,008	953
Advertising	745	240
Entertaining	3,082	530
Legal and professional fees	14,628	2,509
Accountancy fees	3,987	1,500
Depn of plant and machinery	11,443	4,314
Depreciation of office equipment	313	581
Operating lease: Equipment	12,774	6,911
Bank charges	1,372	855
Foreign currency gains/losses	(2,308)	-
	<u>349,808</u>	<u>177,974</u>
OPERATING PROFIT/(LOSS)	<u>81,104</u>	<u>(80,014)</u>
Bank interest receivable	-	353
	<u>81,104</u>	<u>(79,661)</u>
Interest payable	(6,496)	(5,381)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES	<u>74,608</u>	<u>(85,042)</u>
INTEREST RECEIVABLE		
Bank interest receivable	-	353

HISTOLOGIX LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2007

	Year to 30 Jun 07		Period from 28 May 05 to 30 Jun 06
	£	£	£
INTEREST PAYABLE			
Bank interest payable		3,740	3,253
HP/Finance lease charges		2,756	2,128
		<u>6,496</u>	<u>5,381</u>