

Company No. 1347969  
I.R. Reference. 614 / 8710

Please sign & return  
(ROC)

SCALA IMPEX LIMITED

FINANCIAL ACCOUNTS FOR THE  
year ENDED 31st December 1993

Cartwright & Company  
Chartered Accountants and  
Registered Auditors



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COMPANIES HOUSE 29/04/95

SCALA IMPEX LIMITED

DIRECTORS: M Zafaryab  
Mrs S Zafaryab

SECRETARY: Mrs S Zafaryab

REGISTERED OFFICE: 106 High Street  
Stevenage  
Herts  
SG1 3DW

REGISTERED NUMBER: 1347969

BANKERS: Barclays Bank plc  
Acton  
London

ACCOUNTANTS: Cartwright & Company  
Chartered Accountants and  
Registered Auditors  
106 High Street  
Stevenage  
Herts SG1 3DW

SCALA IMPEX LIMITED  
FINANCIAL ACCOUNTS  
year ended 31st December 1993

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The following page does not form part of the Statutory Accounts

12. Trading and Profit and Loss Account

SCALA IMPEX LIMITEDREPORT OF THE DIRECTORS  
year ended 31st December 1993

The directors present their annual report with the accounts of the company for the year ended 31st December 1993.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was importers and exporters of surgical instruments.

**REVIEW OF BUSINESS**

A summary of the results for the year is given on page 4 of the accounts. The directors consider the state of affairs to be satisfactory.

**DIVIDENDS**

The directors do not recommend the payment of a dividend.

**FIXED ASSETS**

Acquisitions and disposals of fixed assets during the year are shown in note 8.

In the opinion of the directors, the open market value of the company's Freehold Land and Buildings is not materially in excess of that shown in the accounts in relation to its use in the company's trade.

**DIRECTORS**

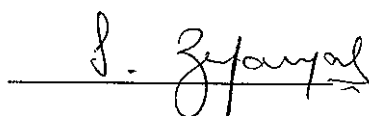
The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	1993	1992
M Zafaryab	5000	5000
Mrs S Zafaryab	2000	2000

**AUDITORS**

The auditors, Cartwright & Company are deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985.

Signed on behalf of the  
board of directors



Mrs S Zafaryab  
Secretary

26th April 1995

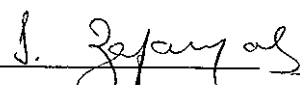
SCALA IMPEX LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts for 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 accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts 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 accounts comply with 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.

26th April 1995

  
By Order of the Board

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
SCALA IMPEX LIMITED**

We have audited the financial accounts on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**BASIS OF OPINION**

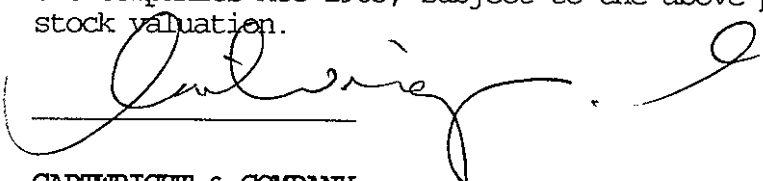
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial accounts.

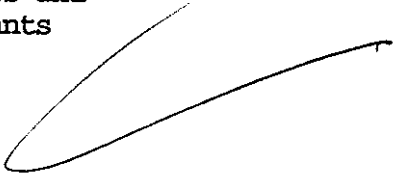
The company did not carry out a physical stock check at the year end, hence we have had to take assurances from the directors as to the stock value.

**OPINION**

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 31st December 1993 and of its loss and cash flow for the year then ended and have been properly prepared in accordance with the Companies Act 1985, subject to the above paragraph in respect of the stock valuation.



**CARTWRIGHT & COMPANY**  
Registered Auditors and  
Chartered Accountants  
106 High Street  
Stevenage  
Herts SG1 3DW



26th April 1995

SCALA IMPEX LIMITED

PROFIT AND LOSS ACCOUNT  
year ended 31st December 1993

	<u>Notes</u>	<u>1993</u>		<u>1992</u>	
		£	£	£	£
TURNOVER	2	424,611		332,871	
Cost of Sales		349,368		255,600	
<u>GROSS PROFIT</u>		75,243		77,271	
Net Operating Expenses					
Administrative Expenses		91,614		83,778	
<u>OPERATING LOSS</u>	3	(16,371)		(6,507)	
Interest Payable	7	45		-	
<u>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		(16,416)		(6,507)	
Tax on Ordinary Activities	5	(909)		4	
<u>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</u>		£ (15,507)		£ (6,511)	
<u>STATEMENT OF RETAINED EARNINGS</u>					
Retained Profit Brought Forward		36,062		42,573	
Loss for the Year		(15,507)		(6,511)	
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ 20,555		£ 36,062	

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 11 form part of these accounts.

SCALA IMPEX LIMITEDBALANCE SHEET  
AS AT 31st December 1993

	<u>Notes</u>	<u>1993</u>	<u>1992</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	8	12,664	18,714
<b>CURRENT ASSETS</b>			
Stock and Work in Progress	9	113,530	113,530
Debtors	10	124,267	74,486
Investments	11	68	68
		<u>237,865</u>	<u>188,084</u>
<b>CREDITORS : Amounts Falling Due within One Year</b>	12	<u>(222,293)</u>	<u>(163,055)</u>
<b>NET CURRENT ASSETS</b>		15,572	25,029
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>28,236</u>	<u>43,743</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>		(681)	(681)
		<u>£ 27,555</u>	<u>£ 43,062</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	14	7,000	7,000
Profit and Loss Account	15	20,555	36,062
<b><u>TOTAL SHAREHOLDERS' FUNDS</u></b>	13	<u>£ 27,555</u>	<u>£ 43,062</u>
Signed on behalf of the board of directors			

  
S. M. Zafaryab  
Director

CERTIFIED A TRUE COPY

Approved by the board: 26th April 1995

The notes on pages 6 to 11 form part of these accounts.



SCALA IMPEX LIMITEDNOTES TO ACCOUNTS  
year ended 31st December 1993**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

**Turnover**

Turnover represents the net invoiced sales of goods, excluding VAT.

**Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Property Improvements	2% on cost or revalued amount
Motor Vehicles	25% on cost
Office Equipment	15% on cost
Fixtures and Fittings	10% on cost

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

**Deferred Taxation**

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**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 loss.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**Cash Flow Statement**

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

SCALA IMPEX LIMITEDNOTES TO ACCOUNTS  
year ended 31st December 19932. TURNOVER

The Turnover and Loss (1992 - Loss) before taxation for the year is attributable to the principal activity of the Company which is importers and exporters of surgical instruments.

3. OPERATING LOSS

The Operating Loss (1992 - Loss) is stated after charging:

	<u>1993</u> £	<u>1992</u> £
Depreciation of Tangible Fixed Assets	2,503	3,721
Staff Costs - note 4	18,955	21,020
Auditors' Remuneration	4,841	3,000
	<u>          </u>	<u>          </u>

4. STAFF COSTS

The costs incurred, including directors remuneration (note 6), were as follows:

	<u>1993</u> £	<u>1992</u> £
Wages and Salaries	16,555	18,620
Pension Costs	2,400	2,400
	<u>          </u>	<u>          </u>
	18,955	21,020
	<u>          </u>	<u>          </u>

SCALA IMPEX LIMITEDNOTES TO ACCOUNTS  
year ended 31st December 19935. TAXATION

The tax charge on the loss on ordinary activities was as follows:

	<u>1993</u>	<u>1992</u>
	£	£
Corporation Tax	(909)	4

Corporation tax has been charged on (1992 25%).

6. DIRECTORS' REMUNERATION

	<u>1993</u>	<u>1992</u>
	£	£
Directors Remuneration	9,902	9,168
Directors Pension Scheme	2,400	2,400
	<u>12,302</u>	<u>11,568</u>

7. INTEREST PAYABLE

	<u>1993</u>	<u>1992</u>
	£	£
VAT Interest	45	-
	<u>45</u>	<u>-</u>

SCALA IMPEX LIMITEDNOTES TO ACCOUNTS  
year ended 31st December 19938. TANGIBLE FIXED ASSETS

	Motor Vehicles	Plant & Equipment	Fixtures & Fittings	Property	TOTAL
	£	£	£	£	£
COST OR VALUATION					
At 1st January 1993	19,456	11,060	4,321	5,603	40,440
Additions in year	-	3,954	-	-	3,954
Disposals in year	(19,456)	(400)	-	-	(19,856)
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At 31st December 1993	-	14,614	4,321	5,603	24,538
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1st January 1993	11,322	8,365	1,927	112	21,726
Write Off On Disposal	(11,322)	-	-	-	(11,322)
Charge for year	-	998	359	113	1,470
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At 31st December 1993	-	9,363	2,286	225	11,874
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 31st December 1993	-	5,251	2,035	5,378	12,664
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1993	8,134	2,695	2,394	5,491	18,714
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

9. STOCKS

	<u>1993</u> £	<u>1992</u> £
Finished Goods and Goods for Resale	<u>113,530</u>	<u>113,530</u>

SCALA IMPEX LIMITEDNOTES TO ACCOUNTS  
year ended 31st December 199310. DEBTORS

	<u>1993</u>	<u>1992</u>
	£	£
Amounts due within one year:		
Trade Debtors	116,585	74,486
Corporation Tax	1,583	-
Value Added Tax	6,099	-
	<u>124,267</u>	<u>74,486</u>

11. CURRENT ASSET INVESTMENTS

	<u>1993</u>	<u>1992</u>
	£	£
United Bank Current Account	59	59
United Bank Dollar Account	9	9
	<u>68</u>	<u>68</u>

12. CREDITORS

Amounts falling due within one year:	<u>1993</u>	<u>1992</u>
	£	£
Bank Loans and Overdrafts (see below)	41,830	27,355
Trade Creditors	157,719	102,209
Other Creditors	8,834	11,054
Other Creditors:		
Social Security and Other Taxes	565	7,446
Other Creditors	5,528	11,178
Accruals	7,817	3,813
	<u>222,293</u>	<u>163,055</u>
Bank Overdraft	41,830	27,355
	<u>41,830</u>	<u>27,355</u>

The bank loan and overdraft are secured by a fixed and floating charge over the other assets and related undertakings of the company.

SCALA IMPEX LIMITEDNOTES TO ACCOUNTS  
year ended 31st December 199313. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1993</u> £	<u>1992</u> £
Loss for the financial year	(15,507)	(6,511)

14. SHARE CAPITAL

	<u>1993</u> £	<u>1992</u> £
Authorised	10,000	10,000
Allotted, Issued and Fully Paid	7,000	7,000

15. RESERVES

	<u>Profit &amp; Loss A/c</u> £
At 1st January 1993	36,062
for the year	(15,507)
	<u>20,555</u>