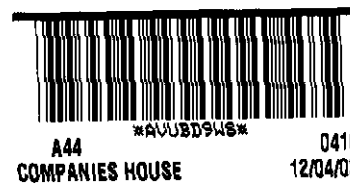


Vitech Scientific Limited

Directors' Report and Financial Statements
for the year ended
31st December 2001

Company number 1830061
(England and Wales)



Vitech Scientific Limited

Directors' Report for the year ended 31st December 2001

The directors present their report and the financial statements for the year ended 31st December 2001.

Principal activities

The company's principal activity continues to be the sale of laboratory equipment.

Directors

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	Number of shares	
	31st December	1st January
P J Hooper	70	70
C Bown	<u>30</u>	<u>30</u>

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and 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.

Auditors

The auditors, Paul Steele Chartered Accountants, will be proposed for re appointment in accordance with section 385 of the Companies Act 1985.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the board on 28th March 2002.

Signed on behalf of the board of directors



Mrs E C D Hooper
Secretary

Vitech Scientific Limited
Independent Auditors' Report
to the shareholders of Vitech Scientific Limited

We have audited the financial statements of Vitech Scientific Limited for the year ended 31st December 2001 as set out on pages 3 to 9. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 5 and 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 statements 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 statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Paul Steele
Chartered Accountants
Registered auditors

28th March 2002

18 Newport Street
Tiverton
Devon EX16 6NL

Vitech Scientific Limited
Profit and Loss Account
for the year ended 31st December 2001

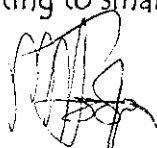
	Notes	2001 £	2000 £
Turnover	2	1,376,444	1,203,912
Cost of sales		640,920	586,633
Gross profit		<u>735,524</u>	<u>617,279</u>
Distribution costs		547,961	449,592
Administration costs		78,821	76,819
		<u>626,782</u>	<u>526,411</u>
Operating profit	3	108,742	90,868
Interest payable		10,256	17,837
Profit on ordinary activities before taxation		98,486	73,031
Tax on profit on ordinary activities	4	17,869	12,932
Profit for the financial year		<u>80,617</u>	<u>60,099</u>
Dividends	5	23,100	21,000
Retained profit for the year		<u>57,517</u>	<u>39,099</u>

Vitech Scientific Limited

Balance Sheet as at 31st December 2001

		2001	2000
	Notes	£	£
Tangible fixed assets	6	72,891	65,673
Current assets			
Stocks – Goods for resale		173,178	184,349
Debtors	7	256,982	237,477
Cash at bank and in hand		23	5
		<u>430,183</u>	<u>421,831</u>
Creditors:			
amounts falling due within one year	8	<u>365,886</u>	<u>402,337</u>
Net current assets		<u>64,297</u>	<u>19,494</u>
Total assets less current liabilities		<u>137,188</u>	<u>85,167</u>
Creditors:			
amounts falling due after more than one year	9	<u>29,222</u>	<u>34,718</u>
		<u>107,966</u>	<u>50,449</u>
Capital and reserves			
Called up share capital	11	105	105
Profit and loss account	12	<u>107,861</u>	<u>50,344</u>
Shareholders' funds		<u>107,966</u>	<u>50,449</u>

Approved by the board of directors on 28th March 2002 and signed on its behalf. The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.



P J Hooper

Vitech Scientific Limited
Notes to the financial statements
for the year ended 31st December 2001

1 Accounting policies

- **Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention and the Financial Reporting Standard for Smaller Entities (Effective March 2001). They incorporate the results of the principal activity which is described in the directors report and which is continuing.

- **Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

- **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis

- **Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated 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.

- **Operating leases**

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

- **Stock 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 stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Vitech Scientific Limited
Notes to the financial statements cont.
for the year ended 31st December 2001

• **Deferred taxation**

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

• **Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

• **Foreign currency transactions**

Translation is done at the rate applicable at the date of transaction and assets and liabilities at the rate applicable on the balance sheet date.

2 Turnover

During the year the company earned its entire turnover in the United Kingdom.
(2000 - 100%)

3 Operating profit

The operating profit is stated after charging:

	2001 £	2000 £
Depreciation of tangible fixed assets		
- owned by the company	2,237	1,550
- held under finance leases	19,150	18,850
Directors' remuneration	274,501	196,616
Auditors' remuneration	2,760	2,600
Interest element of finance leases	5,769	10,785
Bank overdraft interest	2,477	4,322
Other loan interest	2,010	3,325
Pension costs	19,111	13,793
Exchange differences	<u>964</u>	<u>(4,675)</u>

Retirement benefits are accruing under a money purchase scheme to both directors (2000 - 2).

4 Taxation

	£	£
UK current year taxation		
UK corporation tax	17,869	14,425
Prior years		
UK corporation tax	<u>-</u>	<u>(1,493)</u>
	<u>17,869</u>	<u>12,932</u>

Vitech Scientific Limited
Notes to the financial statements cont.
for the year ended 31st December 2001

5 Dividends

	2001 £	2000 £
Dividends paid and proposed	<u>23,100</u>	<u>21,000</u>

6 Tangible fixed assets

	Motor vehicles £	Fixtures and plant £	Total £
Cost			
As at 1st January 2001	105,140	31,191	136,331
Additions	29,520	13,028	42,548
Disposals	(30,395)	-	(30,395)
As at 31st December 2001	<u>104,265</u>	<u>44,219</u>	<u>148,484</u>
Depreciation			
As at 1st January 2001	44,116	26,542	70,658
Charge for the year	19,150	2,237	21,387
Released on disposal	(16,452)	-	(16,452)
As at 31st December 2001	<u>46,814</u>	<u>28,779</u>	<u>75,593</u>
Net book value			
As at 31st December 2001	<u>57,451</u>	<u>15,440</u>	<u>72,891</u>
As at 31st December 2000	<u>61,024</u>	<u>4,649</u>	<u>65,673</u>

Included in plant and machinery above are assets held under finance leases or hire purchase contracts amounting to £57,451

7 Debtors

	2001 £	2000 £
Trade debtors	221,330	228,827
Other debtors	30,652	-
Prepayments and accrued income	5,000	8,650
	<u>256,982</u>	<u>237,477</u>

Included in debtors is an interest free loan of £29,500 (2000 - £nil) to P J Hooper, a director. The maximum amount outstanding during the year was £29,500.

Vitech Scientific Limited
Notes to the financial statements cont.
for the year ended 31st December 2001

8 Creditors: amounts falling due within one year

	2001	2000
	£	£
Bank overdraft	28,352	30,443
Loans (secured)	-	30,822
Net obligations under finance leases and hire purchase contracts (secured)	23,201	18,671
Trade creditors	126,795	142,558
Corporation tax	17,869	1,488
Other taxation and social security costs	56,021	45,209
Proposed dividend	7,700	21,000
Accruals and deferred income	105,948	112,146
	<u>365,886</u>	<u>402,337</u>

9 Creditors: amounts falling due after more than one year

	£	£
Net obligations under finance leases and hire purchase contracts (secured)	<u>29,222</u>	<u>34,718</u>

10 Deferred taxation

	Provided for		Unprovided	
	2001	2000	2001	2000
	£	£	£	£
Accelerated capital allowances	<u>-</u>	<u>-</u>	<u>1,639</u>	<u>-</u>

11 Share capital

	2001	2000
	£	£
Ordinary shares of £1 each		
Authorised	<u>10,000</u>	<u>10,000</u>
Allotted called up and fully paid	<u>105</u>	<u>105</u>

The company is controlled by P J Hooper

Vitech Scientific Limited
Notes to the financial statements cont.
for the year ended 31st December 2001

12 Profit and loss account

	2001 £	2000 £
Balance at 1st January 2001	50,344	11,245
Profit retained for the year	<u>57,517</u>	<u>39,099</u>
Balance at 31st December 2001	<u><u>107,861</u></u>	<u><u>50,344</u></u>

13 Contingent liabilities

The company had contingent liabilities in respect of foreign exchange contracts and bonds given by the company's bankers amounting to £nil (2000 - £18,000)

14 Capital commitments

At the year end the company had capital commitments as follows.

	£	£
Contracted for but not provided in these accounts	<u>-</u>	<u>-</u>
Authorised by the directors but not contracted for	<u>-</u>	<u>-</u>

15 Finance leases and hire purchase contracts

The future minimum lease payments to which the company is committed under finance leases and hire purchase contracts are as follows:

	£	£
Within one year	26,486	21,937
Between one and two years	30,519	36,299
Between two and five years	<u>-</u>	<u>-</u>
	57,005	58,236
Interest included in above	<u>4,582</u>	<u>4,847</u>
	<u><u>52,423</u></u>	<u><u>53,389</u></u>
 Obligations payable within one year	 <u>23,201</u>	 <u>18,671</u>
Obligations payable after more than one year	<u>29,222</u>	<u>34,718</u>

16 Other commitments

At 31st December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	£	£
Expiry date:		
Within one year	<u>9,751</u>	<u>9,751</u>
Between two and five years	<u>-</u>	<u>-</u>
In more than five years	<u>-</u>	<u>-</u>