

Vitech Scientific Limited**Directors' Report and Financial Statements
for the year ended
31st December 1995**

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**Company number 183061
(England and Wales)**

**Paul Steele Chartered Accountants
18 Newport Street
Tiverton Devon**



Vitech Scientific Limited

Directors' Report for the year ended 31st December 1995

The directors present their report and the financial statements for the year ended 31st December 1995.

Principal activities

The company's principal activity continues to be the sales 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	
	1995	1994
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

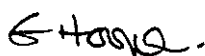
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets 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 was approved by the board on 19th April 1996, taking advantage of the special exemptions available to small companies.

Signed on behalf of the board of directors



Mrs E C D Hooper
Company secretary

Vitech Scientific Limited
Auditors' Report
to the members of Vitech Scientific Limited

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies 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. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Paul Steele
Chartered Accountants

Registered auditor

18 Newport Street
Tiverton
Devon EX16 6NL

19th April 1996

Vitech Scientific Limited
Profit and Loss Account
for the year ended 31st December 1995

	Notes	1995 £	1994 £
Turnover	2	711,893	568,200
Cost of sales		385,044	296,726
Gross profit		326,849	271,474
Distribution costs		202,509	173,004
Administration costs		98,258	89,273
		300,767	262,277
Operating profit	3	26,082	9,197
Interest payable		15,768	9,111
Profit on ordinary activities before taxation		10,314	86
Tax on profit on ordinary activities	4	1,520	-
Profit for the financial year		8,794	86
Dividends	5	-	-
Retained profit for the year		8,794	86

There were no recognised gains or losses other than those included in the profit and loss account.

There were no acquisitions or discontinued operations during the current or preceding year.

Vitech Scientific Limited

Balance Sheet as at 31st December 1995

		1995	1994
	Notes	£	£
Tangible fixed assets	6	44,753	59,038
Current assets			
Stocks - goods for resale		100,239	110,775
Debtors	7	248,412	149,565
Cash at bank and in hand		17	8
		<u>348,668</u>	<u>260,348</u>
Creditors:			
amounts falling due within one year	8	<u>321,595</u>	<u>241,153</u>
Net current assets		<u>27,073</u>	<u>19,195</u>
Total assets less current liabilities		<u>71,826</u>	<u>78,233</u>
Creditors:			
amounts falling due after more than one year	9	54,140	69,341
Provision for liabilities and charges		<u>-</u>	<u>-</u>
		<u>54,140</u>	<u>69,341</u>
		<u>17,686</u>	<u>8,892</u>
Capital and reserves			
Called up share capital	11	105	105
Profit and loss account	12	<u>17,581</u>	<u>8,787</u>
Shareholders' funds	13	<u>17,686</u>	<u>8,892</u>

Approved by the board of directors on 19th April 1996 and signed on its behalf. The directors have relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985.



P J Hooper

Vitech Scientific Limited
Notes to the financial statements
for the year ended 31st December 1995

1 Accounting policies

- **Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention and 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 1995

• 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.
(1994 - 100%)

3 Operating profit

The operating profit is stated after charging:

	1995 £	1994 £
Depreciation of tangible fixed assets		
- owned by the company	2,780	2,809
- held under finance leases	12,655	5,655
Directors' emoluments	108,406	104,965
Auditors' remuneration	2,100	2,000
Interest element of hire purchase contracts	6,956	2,223
Exchange differences	<u>2,665</u>	<u>(2,674)</u>

4 Taxation

	1995 £	1994 £
UK current year taxation		
UK corporation tax at 25% (1994 - 25%)	1,520	-
Transfer to (from) deferred taxation	<u>-</u>	<u>-</u>
	1,520	-
Prior years		
UK Corporation tax	<u>-</u>	<u>-</u>
	<u>1,520</u>	<u>-</u>

If provision were made for deferred taxation on the basis of the full potential liability, the tax charge would increase by £261 (1994 £nil) due to accelerated capital allowances.

Vitech Scientific Limited
Notes to the financial statements cont.
for the year ended 31st December 1995

5 Dividends

No dividends were paid or proposed during the year

6 Tangible fixed assets

	Motor vehicles £	Fixtures and equipment £	Total £
Cost			
As at 1st January 1995	83,672	23,056	106,728
Additions	-	1,150	1,150
Disposals	(12,703)	-	(12,703)
As at 31st December 1995	<u>70,969</u>	<u>24,206</u>	<u>95,175</u>
Depreciation			
As at 1st January 1995	29,584	18,106	47,690
Charge for the year	13,910	1,525	15,435
Released on disposal	(12,703)	-	(12,703)
As at 31st December 1995	<u>30,791</u>	<u>19,631</u>	<u>50,423</u>
Net book value			
As at 31st December 1995	<u>40,178</u>	<u>4,575</u>	<u>44,753</u>
As at 31st December 1994	<u>54,088</u>	<u>4,950</u>	<u>59,038</u>

Included in motor vehicles above are assets held under finance leases or hire purchase contracts costing £59,169. The accumulated depreciation amounts to £21,206 of which £12,655 was charged in the current period.

7 Debtors

	1995 £	1994 £
Trade debtors	171,618	83,183
Other debtors	76,794	66,382
Prepayments and accrued income	-	-
	<u>248,412</u>	<u>149,565</u>

Included in debtors is an interest free loan of £60,114 (1994 - £53,274) to P J Hooper, a director. The maximum amount outstanding during the year was £84,114.

Vitech Scientific Limited
Notes to the financial statements cont.
for the year ended 31st December 1995

8 Creditors: amounts falling due within one year

	1995 £	1994 £
Bank loans and overdrafts (secured)	29,667	30,141
Vital Scientific NV loan	19,975	10,875
Net obligations under finance leases and hire purchase contracts (secured)	16,627	8,830
Trade creditors	139,606	130,470
Corporation tax	1,520	-
Other taxation and social security costs	66,724	31,518
Accruals and deferred income	47,476	29,319
	<u>321,595</u>	<u>241,153</u>

9 Creditors: amounts falling due after more than one year

	1995 £	1994 £
Bank loans (secured)	18,053	25,755
Vital Scientific NV loan	13,650	22,750
Net obligations under finance leases and hire purchase contracts (secured)	22,437	20,836
	<u>54,140</u>	<u>69,341</u>

10 Deferred taxation

	Provided		Unprovided	
	1995 £	1994 £	1995 £	1994 £
Accelerated capital allowances	<u>-</u>	<u>-</u>	<u>261</u>	<u>-</u>

11 Share capital

	1995 £	1994 £
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>

Vitech Scientific Limited
Notes to the financial statements cont.
for the year ended 31st December 1995

12 Profit and loss account

	1995 £	1994 £
Balance at 1st January 1995	8,787	8,701
Profit retained for the year	8,794	86
Balance at 31st December 1995	<u>17,581</u>	<u>8,787</u>

13 Reconciliation of movement in shareholders funds

	1995 £	1994 £
Profit for the year	8,794	86
Dividend	-	-
New additions during the year	8,794	86
Shareholders funds as at 1st January 1995	8,892	8,806
Shareholders funds as at 31st December 1995	<u>17,686</u>	<u>8,892</u>

14 Contingent liabilities

The company had contingent liabilities in respect of foreign exchange contracts and bonds given by the company's bankers amounting to £13,000 (1994 - £20,000)

15 Capital commitments

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

	1995 £	1994 £
Contracted for but not provided in these accounts	-	-
Authorised by the directors but not contracted for	-	-

16 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:

	1995 £	1994 £
Within one year	20,445	12,939
Between one and two years	26,532	12,939
Between two and five years	-	10,938
	46,977	36,816
Interest included above	7,914	7,150
	<u>39,063</u>	<u>29,666</u>
Obligations payable within one year	16,627	8,830
Obligations due after more than one year	<u>22,436</u>	<u>20,836</u>