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Registered number  
2957012

*Newmarket Laboratories Limited*

*Report and Accounts*

*31 May 1999*



# **Newmarket Laboratories Limited**

## **Directors' Report**

*The directors present their report and accounts for the year ended 31 May 1999.*

### **Principal activities**

*The company's principal activity during the year continued to be in healthcare.*

### **Directors**

*The directors who served during the year and their interests in the share capital of the company were as follows:*

	<b>£1 Ordinary shares</b>	
	<b>1999</b>	<b>1998</b>
<i>P N Appleton</i>	<i>1</i>	<i>1</i>
<i>R A Puttick</i>	<i>1</i>	<i>1</i>
<i>D S Scott</i>	<i>1</i>	<i>1</i>
<i>R C B Browne</i>	<i>1</i>	<i>1</i>
<i>C A Knox</i>	<i>1</i>	<i>1</i>
<i>B F Morpew</i>	<i>1</i>	<i>1</i>

### **Directors' responsibilities**

*Company law requires the directors to prepare 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 for that period. In preparing those accounts, the directors are required to:*

- select suitable accounting policies and then apply them consistently;*
- make judgements and estimates that are reasonable and prudent; and*
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.*

*The directors are responsible for maintaining 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 accounts 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**

*A resolution to reappoint James & Co as auditors will be put to the members at the Annual General Meeting.*

### **Small company special provisions**

*The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.*

*This report was approved by the board on 31 August 1999.*

  
*Ms J Prophet*  
*Co Secretary*

**Newmarket Laboratories Limited**  
**Auditors' Report**

**Report of the auditors**  
**to the shareholders of Newmarket Laboratories Limited**

*We have audited the accounts on pages 3 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 5.*

**Respective responsibilities of directors and auditors**

*As described on page 1, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.*

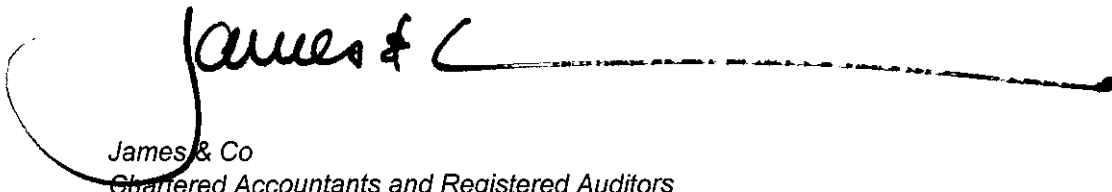
**Basis of opinion**

*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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the 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 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 accounts.*

**Opinion**

*In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 May 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.*



James & Co  
Chartered Accountants and Registered Auditors

Clarence House  
21 St Margaret's Green  
Ipswich  
IP4 2BN

31 August 1999

**Newmarket Laboratories Limited**  
**Profit and Loss Account**  
**for the year ended 31 May 1999**

	Notes	1999 £	1998 £
<b>Turnover</b>	2	626,614	405,883
<i>Cost of sales</i>		(245,365)	(147,365)
<b>Gross profit</b>		<u>381,249</u>	<u>258,518</u>
<i>Administrative expenses</i>		(307,732)	(256,086)
<i>Other operating income</i>		14,045	-
<b>Operating profit</b>	3	<u>87,562</u>	<u>2,432</u>
<i>Interest receivable</i>		765	54
<i>Interest payable</i>		-	(77)
<b>Profit on ordinary activities before taxation</b>		<u>88,327</u>	<u>2,409</u>
<i>Tax on profit on ordinary activities</i>	4	(15,263)	-
<b>Profit for the financial year</b>		<u>73,064</u>	<u>2,409</u>
<i>Dividends</i>		(36,000)	-
<b>Retained profit for the financial year</b>	12	<u>37,064</u>	<u>2,409</u>

**Newmarket Laboratories Limited**  
**Balance Sheet**  
**as at 31 May 1999**

	Notes	1999 £	1998 £
<b>Fixed assets</b>			
Tangible assets	5	15,426	20,341
Investments	6	2	2
		<u>15,428</u>	<u>20,343</u>
<b>Current assets</b>			
Stocks		44,433	30,072
Debtors	7	117,908	38,177
Cash at bank and in hand		17,888	43,267
		<u>180,229</u>	<u>111,516</u>
<b>Creditors: amounts falling due within one year</b>	8	(118,375)	(87,120)
<b>Net current assets</b>		<u>61,854</u>	<u>24,396</u>
<b>Total assets less current liabilities</b>		<u>77,282</u>	<u>44,739</u>
<b>Creditors: amounts falling due after more than one year</b>	9	(59,004)	(63,921)
<b>Provisions for liabilities and charges</b>	10	(396)	-
<b>Net assets/(liabilities)</b>		<u>17,882</u>	<u>(19,182)</u>
<b>Capital and reserves</b>			
Called up share capital	11	6	6
Profit and loss account	12	17,876	(19,188)
<b>Shareholders' funds</b>		<u>17,882</u>	<u>(19,182)</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities.

  
P N Appleton

Director

Approved by the board on 31 August 1999

**Newmarket Laboratories Limited**  
**Notes to the Accounts**  
**for the year ended 31 May 1999**

**1 Accounting policies**

**Accounting convention**

*The accounts have been prepared under the historical cost convention.*

**Turnover**

*Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.*

**Depreciation**

*Depreciation has been provided at the following rates in order to write off the cost of assets (net of grants received) over their estimated useful lives.*

Equipment	20%
Computer equipment	33%

**Stocks**

*Stock is valued at the lower of cost and net realisable value.*

**Research and development**

*Expenditure on research and development is written off in the year it is incurred. Any grants received/receivable in connection with the expenditure are netted against the expenditure before the net amount is written off to the profit and loss account.*

**Foreign currencies**

*Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.*

<b>2 Turnover</b>	<b>1999</b>	<b>1998</b>
Turnover attributable to geographical markets outside the UK	71.1%	72.3%
<b>3 Operating profit</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<i>This is stated after charging:</i>		
Depreciation of owned fixed assets	10,802	9,240
Directors' remuneration	138,932	115,139
Pension costs	6,902	-
Auditors' remuneration	1,600	1,685
	<hr/>	<hr/>
Number of directors to whom benefits accrued under money purchase pension schemes	4	-
	<hr/>	<hr/>

**Newmarket Laboratories Limited**  
**Notes to the Accounts**  
**for the year ended 31 May 1999**

<b>4 Taxation</b>	<b>1999 £</b>	<b>1998 £</b>
<i>UK corporation tax for the year at 21%</i>	15,114	-
<i>Overprovision for previous years</i>	(247)	-
<i>Deferred tax</i>	396	-
	<u>15,263</u>	<u>-</u>

<b>5 Tangible fixed assets</b>	<b>Computer equipment £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost</b>			
<i>At 1 June 1998</i>	2,768	41,587	44,355
<i>Additions</i>	2,889	2,998	5,887
<i>At 31 May 1999</i>	<u>5,657</u>	<u>44,585</u>	<u>50,242</u>
<b>Depreciation</b>			
<i>At 1 June 1998</i>	1,266	22,748	24,014
<i>Charge for the year</i>	1,885	8,917	10,802
<i>At 31 May 1999</i>	<u>3,151</u>	<u>31,665</u>	<u>34,816</u>
<b>Net book value</b>			
<i>At 31 May 1999</i>	<u>2,506</u>	<u>12,920</u>	<u>15,426</u>
<i>At 31 May 1998</i>	<u>1,502</u>	<u>18,839</u>	<u>20,341</u>

<b>6 Investments</b>	<b>Investments in subsidiary undertakings £</b>
<b>Cost</b>	
<i>At 1 June 1998</i>	2
<i>At 31 May 1999</i>	<u>2</u>

*The company holds 20% or more of the share capital of the following companies:*

<b>Company</b>	<b>Country of registration or incorporation</b>	<b>Shares held Class</b>	<b>%</b>
<i>EMX (UK) Ltd</i>	<i>England and Wales</i>	<i>Ordinary</i>	<i>100</i>

<b>7 Debtors</b>	<b>1999 £</b>	<b>1998 £</b>
<i>Trade debtors</i>	97,876	9,208
<i>Other debtors</i>	20,032	28,969
	<u>117,908</u>	<u>38,177</u>

**Newmarket Laboratories Limited**  
**Notes to the Accounts**  
**for the year ended 31 May 1999**

<b>8 Creditors: amounts falling due within one year</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<i>Bank loans and overdrafts</i>	97	-
<i>Trade creditors</i>	86,013	78,571
<i>Corporation tax</i>	16,614	(3,382)
<i>Other taxes and social security</i>	7,446	3,535
<i>Other creditors</i>	8,205	8,396
	<u>118,375</u>	<u>87,120</u>

<b>9 Creditors: amounts falling due after one year</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<i>Other creditors</i>	<u>59,004</u>	<u>63,921</u>

<b>10 Provisions for liabilities and charges</b>	<b>1999</b>	<b>1998</b>
<i>Deferred taxation:</i>	<b>£</b>	<b>£</b>
<i>Charged to the profit and loss account</i>	396	-
<i>At 31 May</i>	<u>396</u>	<u>-</u>

*Deferred taxation provided in the accounts and the amounts not provided are as follows:*

	<b>Provided 1999 £</b>	<b>Potential 1999 £</b>	<b>Provided 1998 £</b>	<b>Potential 1998 £</b>
<i>Capital allowances in advance of depreciation</i>	<u>396</u>	<u>396</u>	<u>-</u>	<u>-</u>

<b>11 Share capital</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<i>Authorised:</i>		
<i>Ordinary shares of £1 each</i>	<u>10,000</u>	<u>10,000</u>

	<b>1999 No</b>	<b>1998 No</b>	<b>1999 £</b>	<b>1998 £</b>
<i>Allotted, called up and fully paid:</i>				
<i>Ordinary shares of £1 each</i>	6	6	<u>6</u>	<u>6</u>

<b>Movement in share capital</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<i>At 1 June</i>	6	5
<i>Shares issued</i>	-	1
<i>At 31 May</i>	<u>6</u>	<u>6</u>



**Newmarket Laboratories Limited**  
**Notes to the Accounts**  
**for the year ended 31 May 1999**

<b>12 Profit and loss account</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<i>At 1 June</i>	<i>(19,188)</i>	<i>(21,597)</i>
<i>Retained profit</i>	<i>37,064</i>	<i>2,409</i>
<i>At 31 May</i>	<u><i>17,876</i></u>	<u><i>(19,188)</i></u>

<b>13 Other financial commitments</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>
<i>At the year end the company had annual commitments under non-cancellable operating leases as set out below:</i>		
<i>Operating leases which expire:</i>		
<i>    within one year</i>	<i>11,592</i>	<i>-</i>
<i>    within two to five years</i>	<i>39,000</i>	<i>25,000</i>
	<u><i>50,592</i></u>	<u><i>25,000</i></u>

**14 Related parties** **£**

*During the year the company had the following transactions with Gulbourne Limited, a company controlled by Messrs R A Puttick and D S Scott*

<i>Car hire &amp; related charges</i>	<i>13,426</i>
<i>Rent and associated accomodation charges</i>	<i>48,141</i>
<i>Management charges</i>	<i>25,000</i>
<i>Other charges</i>	<i>4,015</i>

*At the year end, the amount owing by the company to Gulbourne Limited was £35,923*

**15 Controlling party**

*There is no single ultimate controlling party.*