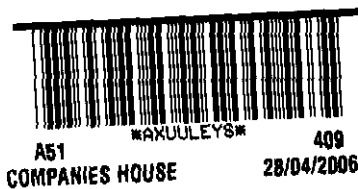


Registration number 3143707

XYMBIO LIMITED

Directors' report and financial statements

for the year ended 30 June 2005



XYMBIO LIMITED

Company information

Directors	K H Mahony F C McNulty
Secretary	I C Bubb
Company number	3143707
Registered office	100 High Street Whitstable Kent CT5 1AT
Accountants	Bubb Rowe Sherwin & Co 100 High Street Whitstable Kent CT5 1AT
Business address	308 Bretislavova 12 Mala Strana Prague Czech Republic
Bankers	National Westminster Bank Plc 1 Hatton Garden London EC1P 1DU

XYMBIO LIMITED

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XYMBIO LIMITED

Directors' report for the year ended 30 June 2005

The directors present their report and the financial statements for the year ended 30 June 2005.

Principal activity

The principal activity of the company since September 2001 is that of property letting and book sales.

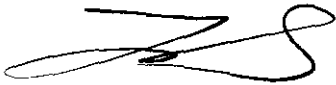
Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Class of share	30/06/05	01/07/04
K H Mahony	Ordinary shares	95	95
F C McNulty	Ordinary shares	5	5

This report is 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 12 April 2006 and signed on its behalf by



I C Bubb
Secretary

XYMBIO LIMITED

**Accountants' report on the unaudited financial statements to the directors of
XYMBIO LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 June 2005 set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

Bubb Rowe Sherwin & Co

**Bubb Rowe Sherwin & Co
Chartered Certified Accountants
100 High Street
Whitstable
Kent
CT5 1AT**

Date: 20 April 2006

XYMBIO LIMITED

Profit and loss account for the year ended 30 June 2005

		2005	2004
	Notes	£	£
Turnover	2	43,209	28,547
Cost of sales		(2,913)	(1,289)
Gross profit		40,296	27,258
Administrative expenses		(34,540)	(53,949)
Operating profit/(loss)	3	5,756	(26,691)
Other interest receivable and similar income		77	143
Interest payable and similar charges		(3)	(1)
Profit/(loss) on ordinary activities before taxation		5,830	(26,549)
Tax on profit/(loss) on ordinary activities		-	-
Profit/(loss) on ordinary activities after taxation		5,830	(26,549)
Retained profit/(loss) for the year		5,830	(26,549)
Accumulated loss brought forward		(136,569)	(110,020)
Accumulated loss carried forward		(130,739)	(136,569)

The notes on pages 6 to 8 form an integral part of these financial statements.

XYMBIO LIMITED

Balance sheet as at 30 June 2005

		2005		2004	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		201		300
Current assets					
Debtors	5	311		-	
Cash at bank and in hand		3,624		1,982	
		<u>3,935</u>		<u>1,982</u>	
Creditors: amounts falling due within one year	6	<u>(134,775)</u>		<u>(138,751)</u>	
Net current liabilities			<u>(130,840)</u>		<u>(136,769)</u>
Deficiency of assets			<u>(130,639)</u>		<u>(136,469)</u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss account			<u>(130,739)</u>		<u>(136,569)</u>
Shareholders' funds			<u>(130,639)</u>		<u>(136,469)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 8 form an integral part of these financial statements.

XYMBIO LIMITED

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 30 June 2005**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 June 2005 and

(c) that we acknowledge our responsibilities for:



(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 12 April 2006 and signed on its behalf by

K H Mahony
Director



The notes on pages 6 to 8 form an integral part of these financial statements.

XYMBIO LIMITED

Notes to the financial statements for the year ended 30 June 2005

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings
and equipment - 25% Straight Line

1.4. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

XYMBIO LIMITED

Notes to the financial statements for the year ended 30 June 2005

..... continued

3. Operating profit/(loss)	2005	2004
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation and other amounts written off tangible assets	99	99
	<u>99</u>	<u>99</u>
4. Tangible fixed assets	Fixtures, fittings and equipment	Total
	£	£
Cost		
At 1 July 2004	399	399
At 30 June 2005	399	399
Depreciation		
At 1 July 2004	99	99
Charge for the year	99	99
At 30 June 2005	198	198
Net book values		
At 30 June 2005	201	201
At 30 June 2004	300	300
	<u>201</u>	<u>201</u>
	<u>300</u>	<u>300</u>
5. Debtors	2005	2004
	£	£
Other debtors	311	-
	<u>311</u>	<u>-</u>

XYMBIO LIMITED

Notes to the financial statements for the year ended 30 June 2005

..... continued

6. Creditors: amounts falling due within one year	2005 £	2004 £
Bank overdraft	695	9
Trade creditors	2,088	-
Amounts owed to Xymbio RBS	50,024	(11,046)
Other taxes and social security costs	5,689	3,287
Directors' accounts	48,352	72,876
Other creditors	27,027	27,027
Accruals and deferred income	900	46,598
	<u>134,775</u>	<u>138,751</u>
7. Share capital	2005 £	2004 £
Authorised		
100 Ordinary shares of 1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 Ordinary shares of 1 each	<u>100</u>	<u>100</u>