

Report of the Directors and
Unaudited Financial Statements
for the year ended 31 December 2005
for
Pinnacle Laboratory Services Ltd

Hatcher Hughes
Chartered Certified Accountants
Unit S8b
Chester Enterprise Centre
Chester
CH2 3NE



Pinnacle Laboratory Services Ltd

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for the year ended 31 December 2005

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Pinnacle Laboratory Services Ltd

Company Information
for the year ended 31 December 2005

DIRECTORS: S J Loftus
A H Loftus

SECRETARY: A H Loftus

REGISTERED OFFICE: Unit 15
Mold Business Park
Wrexham Road
Mold
Flintshire
CH7 1XP

REGISTERED NUMBER: 3690942

ACCOUNTANTS: Hatcher Hughes
Chartered Certified Accountants
Unit S8b
Chester Enterprise Centre
Chester
CH2 3NE

Pinnacle Laboratory Services Ltd

Report of the Directors
for the year ended 31 December 2005

The directors present their report with the financial statements of the company for the year ended 31 December 2005.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of laboratory equipment servicing and service kit management.

DIRECTORS

The directors during the year under review were:

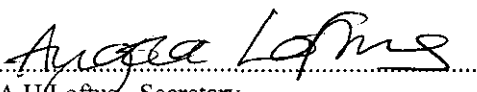
S J Loftus
A H Loftus

The beneficial interests of the directors holding office on 31 December 2005 in the issued share capital of the company were as follows:

	31.12.05	1.1.05
Ordinary 1 shares		
S J Loftus	1	1
A H Loftus	1	1

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

ON BEHALF OF THE BOARD:


A H Loftus - Secretary

Date 26-May-06

Pinnacle Laboratory Services Ltd

Profit and Loss Account
for the year ended 31 December 2005

		31.12.05	31.12.04
	Notes	£	£
TURNOVER		363,917	464,936
Cost of sales		41,534	83,146
GROSS PROFIT		322,383	381,790
Administrative expenses		329,273	343,006
		(6,890)	38,784
Other operating income		2,338	-
OPERATING (LOSS)/PROFIT	2	(4,552)	38,784
Interest payable and similar charges	3	12,282	11,404
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(16,834)	27,380
Tax on (loss)/profit on ordinary activities	4	-	4,073
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(16,834)	23,307
Retained profit brought forward		1,148	841
		(15,686)	24,148
Dividends	5	-	(23,000)
(DEFICIT)/RETAINED PROFIT CARRIED FORWARD		<u>£(15,686)</u>	<u>£1,148</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

Pinnacle Laboratory Services Ltd

Balance Sheet

31 December 2005

		31.12.05		31.12.04	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		123,429		147,235
CURRENT ASSETS:					
Debtors	7	36,517		36,460	
Cash in hand		56		98	
		36,573		36,558	
CREDITORS: Amounts falling due within one year	8	118,658		106,628	
NET CURRENT LIABILITIES:			(82,085)		(70,070)
TOTAL ASSETS LESS CURRENT LIABILITIES:			41,344		77,165
CREDITORS: Amounts falling due after more than one year	9		57,028		76,015
			£(15,684)		£1,150
CAPITAL AND RESERVES:					
Called up share capital	12		2		2
Profit and loss account			(15,686)		1,148
SHAREHOLDERS' FUNDS:	14		£(15,684)		£1,150

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

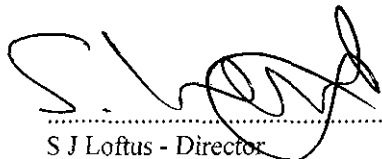
Pinnacle Laboratory Services Ltd


Balance Sheet

31 December 2005

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:


.....
S J Loftus - Director


.....
A H Loftus - Director

Approved by the Board on 26-May-06.....

Pinnacle Laboratory Services Ltd

Notes to the Financial Statements for the year ended 31 December 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% on reducing balance and 25% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

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

2. OPERATING (LOSS)/PROFIT

The operating loss (2004 - operating profit) is stated after charging/(crediting):

	31.12.05	31.12.04
	£	£
Vehicle leases and maintenance	-	9,214
Depreciation - owned assets	5,019	5,697
Depreciation - assets on hire purchase contracts or finance leases	19,990	19,990
Profit on disposal of fixed assets	-	(451)
Pension costs	17,575	16,126
	<u>52,500</u>	<u>25,300</u>
Directors' emoluments and other benefits etc	<u>52,500</u>	<u>25,300</u>

Pinnacle Laboratory Services Ltd

Notes to the Financial Statements
for the year ended 31 December 2005

3. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following:

	31.12.05	31.12.04
	£	£
Hire purchase	<u>3,536</u>	<u>3,066</u>

4. TAXATION

Analysis of the tax charge

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

	31.12.05	31.12.04
	£	£
Current tax:		
UK corporation tax	-	4,073
	<u>-</u>	<u>4,073</u>
Tax on (loss)/profit on ordinary activities	<u>-</u>	<u>4,073</u>

UK corporation tax was charged at 15% in 2004.

5. DIVIDENDS

	31.12.05	31.12.04
	£	£
Equity shares:		
Final - share type 1	<u>-</u>	<u>23,000</u>

6. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST:			
At 1 January 2005	89,000	113,658	202,658
Additions	-	1,203	1,203
	<u>89,000</u>	<u>114,861</u>	<u>203,861</u>
At 31 December 2005	<u>89,000</u>	<u>114,861</u>	<u>203,861</u>
DEPRECIATION:			
At 1 January 2005	7,120	48,303	55,423
Charge for year	1,780	23,229	25,009
	<u>8,900</u>	<u>71,532</u>	<u>80,432</u>
At 31 December 2005	<u>8,900</u>	<u>71,532</u>	<u>80,432</u>
NET BOOK VALUE:			
At 31 December 2005	<u>80,100</u>	<u>43,329</u>	<u>123,429</u>
At 31 December 2004	<u>81,880</u>	<u>65,355</u>	<u>147,235</u>

Pinnacle Laboratory Services Ltd

Notes to the Financial Statements
for the year ended 31 December 2005

6. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Plant and machinery etc
	£
COST:	
At 1 January 2005 and 31 December 2005	79,959
DEPRECIATION:	
At 1 January 2005	26,358
Charge for year	19,990
At 31 December 2005	46,348
NET BOOK VALUE:	
At 31 December 2005	33,611
At 31 December 2004	53,601

**7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.05 £	31.12.04 £
Trade debtors	36,499	36,425
Prepayments & accrued income	18	35
	<u>36,517</u>	<u>36,460</u>

**8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.05 £	31.12.04 £
Bank loans and overdrafts (see note 10)	71,935	51,092
Trade creditors	1	6,317
Directors current accounts	(31,897)	(16,361)
Hire purchase	13,066	13,066
Other creditors	7,162	4,000
Commercial Mortgage	4,100	4,100
Lombard Finance	2,254	13,297
Social security & other taxes	40,982	17,201
Taxation	-	4,073
Accrued expenses	11,055	9,843
	<u>118,658</u>	<u>106,628</u>

Pinnacle Laboratory Services Ltd

Notes to the Financial Statements
for the year ended 31 December 2005

**9. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.12.05	31.12.04
	£	£
Bank loans (see note 10)	<u>57,028</u>	<u>76,015</u>

10. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.12.05	31.12.04
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>71,935</u>	<u>51,092</u>
Amounts falling due between one and two years:		
Bank loans	<u>9,545</u>	<u>19,381</u>
Amounts falling due between two and five years:		
Bank loans	<u>47,483</u>	<u>56,634</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.05	31.12.04
	£	£
Bank overdrafts	71,935	51,092
Bank loans	57,028	76,015
Hire Purchase and Lombard	15,320	26,363
Commercial Mortgage	4,100	4,100
	<u>148,383</u>	<u>157,570</u>

The directors have given personal guarantees as security for the above creditors.

12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.12.05	31.12.04
			£	£
100	Ordinary	1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.05	31.12.04
			£	£
2	Ordinary	1	<u>2</u>	<u>2</u>

Pinnacle Laboratory Services Ltd

Notes to the Financial Statements
for the year ended 31 December 2005

13. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the year ended 31 December 2005:

	£
S J Loftus	
Balance outstanding at start of year	8,180
Balance outstanding at end of year	15,948
Maximum balance outstanding during year	<u>15,948</u>

A H Loftus	
Balance outstanding at start of year	8,181
Balance outstanding at end of year	15,949
Maximum balance outstanding during year	<u>15,949</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.05	31.12.04
	£	£
(Loss)/Profit for the financial year	(16,834)	23,307
Dividends	-	(23,000)
Net (reduction)/addition to shareholders' funds	<u>(16,834)</u>	<u>307</u>
Opening shareholders' funds	1,150	843
Closing shareholders' funds	<u>(15,684)</u>	<u>1,150</u>
Equity interests	<u>(15,684)</u>	<u>1,150</u>

15. GOING CONCERN

The company is reliant upon the financial support of the bank and it's directors in order to continue as a going concern.