

COMPANY REGISTRATION NUMBER 4590584

**THE ALCHEMISTS (NORTHERN) LIMITED
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2004**



unw LLP
Chartered Accountants & Registered Auditors
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

P R Allan
A J Fielder
S M I'Anson
T Maxfield
R A Shotton
K Stephenson
W Teasdale

Company secretary

D M Brophy

Registered office

Buisness and Innovation Centre
Wearfield
Sunderland Enterprise Park (East)
Sunderland
SR5 2TA

Auditors

unw LLP
Chartered Accountants
& Registered Auditors
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

National Westminster Bank
P.O. Box 1PY
87 Grey Street
Newcastle upon Tyne
NE99 1PY

Solicitors

Ward Hadaway
Sandgate House
102 Quayside
Newcastle Upon Tyne
NE1 3DX

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT

PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

The directors have pleasure in presenting their report and the financial statements of the company for the period from 14 November 2002 to 31 March 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of providing support, advice and assistance to businesses and commercial enterprises which may have potential for rapid growth. The company was incorporated on 14 November 2002 under the name The Alchemists (Northern) Limited. The company was formed as a private company limited by guarantee and not having a share capital.

DIRECTORS

The directors who served the company during the period were as follows:

P R Allan	(Appointed 26 November 2002)
A J Fielder	(Appointed 14 November 2002)
S M I'Anson	(Appointed 14 November 2002)
T Maxfield	(Appointed 26 November 2002)
R A Shotton	(Appointed 14 November 2002)
K Stephenson	(Appointed 14 November 2002)
W Teasdale	(Appointed 14 November 2002)
C S Thompson	(Served from 14 November 2002 to 19 January 2004)

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 at the end of the period and of the surplus or deficiency for the period then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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

Having been appointed during the period, a resolution to re-appoint unW LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT *(continued)*

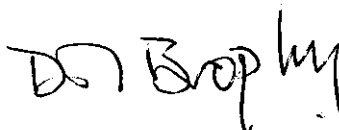
PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

SMALL COMPANY PROVISIONS

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

Registered office:
Buisness and Innovation Centre
Wearfield
Sunderland Enterprise Park (East)
Sunderland
SR5 2TA

Signed by order of the directors



D M Brophy
Company Secretary

Approved by the directors on 20 July 2004

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ALCHEMISTS (NORTHERN) LIMITED

PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

We have audited the financial statements on pages 6 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the 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 AUDIT 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.

**THE ALCHEMISTS (NORTHERN) LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
ALCHEMISTS (NORTHERN) LIMITED** *(continued)*

PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 and of its surplus for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.

unw LLP

unw LLP
Chartered Accountants
& Registered Auditors

Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

28 October 2004

**THE ALCHEMISTS (NORTHERN) LIMITED
COMPANY LIMITED BY GUARANTEE**

INCOME AND EXPENDITURE ACCOUNT

PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

	Note	Period from 14 Nov 02 to 31 Mar 04 £
TURNOVER		611,629
Cost of sales		<u>193,030</u>
GROSS SURPLUS		418,599
Administrative expenses		<u>417,070</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		1,529
Tax on surplus on ordinary activities		-
RETAINED SURPLUS FOR THE FINANCIAL PERIOD		<u>1,529</u>

The notes on pages 8 to 11 form part of these financial statements.

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE


BALANCE SHEET

31 MARCH 2004

	Note	£	31 Mar 04 £
FIXED ASSETS			
Tangible assets	4		8,526
CURRENT ASSETS			
Debtors	5	19,255	
Cash at bank and in hand		8,945	
		<u>28,200</u>	
CREDITORS: Amounts falling due within one year	6	<u>35,197</u>	
NET CURRENT LIABILITIES			(6,997)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,529</u>
RESERVES	9		
Income and expenditure account	10		1,529
MEMBERS' FUNDS			<u>1,529</u>

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

These financial statements were approved by the directors on the 20 July 2004 and are signed on their behalf by:


W Teasdale
Director

The notes on pages 8 to 11 form part of these financial statements.

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE


BALANCE SHEET

31 MARCH 2004

	Note	£	31 Mar 04 £
FIXED ASSETS			
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THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

2. OPERATING SURPLUS

Operating surplus is stated after charging:

	Period from 14 Nov 02 to 31 Mar 04 £
Depreciation of owned fixed assets	1,705
Auditors' fees	<u>2,000</u>

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	Period from 14 Nov 02 to 31 Mar 04 £
Aggregate emoluments	<u>60,468</u>

4. TANGIBLE FIXED ASSETS

	Equipment £
COST	
Additions	10,231
At 31 March 2004	<u>10,231</u>
DEPRECIATION	
Charge for the period	1,705
At 31 March 2004	<u>1,705</u>
NET BOOK VALUE	
At 31 March 2004	<u>8,526</u>

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

5. DEBTORS

	31 Mar 04
	£
Trade debtors	1,763
VAT recoverable	15,615
Other debtors	181
Prepayments and accrued income	1,696
	<u>19,255</u>

6. CREDITORS: Amounts falling due within one year

	31 Mar 04
	£
Trade creditors	27,964
Accruals and deferred income	7,233
	<u>35,197</u>

7. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2004 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	31 Mar 04
	£
Operating leases which expire:	
Within 1 year	<u>50,197</u>

8. RELATED PARTY TRANSACTIONS

In the ordinary course of business The Alchemists (Northern) Limited had transactions with other businesses or organisations with common directors or partners. During the year the company purchased services from the following organisations. None of these transactions, detailed below, are believed to be material to either the organisations or the individuals concerned.

Organisation	Common Director(s) or other such relation	2004 £
Seaham Hall	T Maxfield	3,920
Leighton Media	P Callaghan - Business Link Tyne & Wear	6,492
Ward Hadaway	P Allan	5,074

THE ALCHEMISTS (NORTHERN) LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 14 NOVEMBER 2002 TO 31 MARCH 2004

9. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and therefore has no share capital. In the event of a winding up, every member undertakes to contribute to the payment of liabilities such amount as may be required not exceeding the total of £1.

The company has only one reserve account, being the retained surplus of the Income and Expenditure account.

10. RECONCILIATION OF FUNDS AND MOVEMENT ON RESERVES

	Income and expenditure account £
Retained surplus for the period	1,529
Balance carried forward	<u>1,529</u>