

Company Registration No 05126015 (England and Wales)

ENVIROGENE LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

THURSDAY



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30/09/2010

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COMPANIES HOUSE

ENVIROGENE LIMITED

CONTENTS

	Page
Independent auditors' report	1 - 2
Abbreviated balance sheet	3
Notes to the abbreviated accounts	4 - 7

ENVIROGENE LIMITED

INDEPENDENT AUDITORS' REPORT TO ENVIROGENE LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 3 to 7, together with the financial statements of EnviroGene Limited for the year ended 31 December 2009 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other information

On 27/09/2010 we reported, as auditors of EnviroGene Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 31 December 2009, and our report included the following paragraph:

ENVIROGENE LIMITED

INDEPENDENT AUDITORS' REPORT TO ENVIROGENE LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Emphasis of matter

"In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in the accounting policies Note 17 concerning the company's ability to continue as a going concern. The note refers to the inherent uncertainty of the company meeting its sales forecasts and obtaining additional finance. These conditions indicate, along with other matters as set forth in the note, the existence of a material uncertainty which may cast significant doubts upon the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company were unable to continue as a going concern, which would include additional provisions against the carrying value of assets and providing for any further liabilities that might arise."

Beavis Morgan Audit Ltd

Richard Thacker (Senior Statutory Auditor)
for and on behalf of Beavis Morgan Audit Limited

27/9/10

Chartered Accountants
Statutory Auditor

82 St John Street
London
EC1M 4JN

ENVIROGENE LIMITED

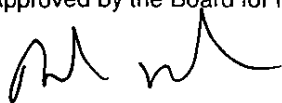
ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Intangible assets	2	445,287		512,087	
Tangible assets	2	136,955		144,645	
Investments	2		1		1
			<u>582,243</u>		<u>656,733</u>
Current assets					
Stocks		45,912		37,482	
Debtors		73,039		139,721	
Cash at bank and in hand		174,376		493,784	
		<u>293,327</u>		<u>670,987</u>	
Creditors amounts falling due within one year		<u>(154,204)</u>		<u>(148,501)</u>	
Net current assets			139,123		522,486
Total assets less current liabilities			<u>721,366</u>		<u>1,179,219</u>
Creditors amounts falling due after more than one year			(453,795)		-
Accruals and deferred income			<u>(165,154)</u>		<u>(205,417)</u>
			<u>102,417</u>		<u>973,802</u>
Capital and reserves					
Called up share capital	3		1,576		1,545
Share premium account			2,307,379		2,308,022
Profit and loss account			(2,206,538)		(1,335,765)
Shareholders' funds			<u>102,417</u>		<u>973,802</u>

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board for issue on 22/09/2010



Mr A Korda
Director

Company Registration No 05126015

ENVIROGENE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009

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 April 2008)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently

1.3 Turnover

The turnover shown in the profit and loss account is derived from ordinary activities and represents work done exclusive of Value Added Tax

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

1.4 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 less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	20% - 25% Straight Line
Fixtures, fittings & equipment	20% Straight Line

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.6 Foreign currency translation

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

ENVIROGENE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

(continued)

1.7 Going concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the company can continue in operational existence for the foreseeable future

As shown in the Profit and Loss Account, the company made a loss for the year of £870,773 (2008 £697,958)

The company has historically funded its losses and working capital requirements from cash generated by equity fundraisings. Subsequent to the year-end the company has raised a further £300,000 (gross of costs) by the issue of further convertible loan notes

The directors have prepared forecasts for the period ending 31 December 2011 that demonstrate that, taking account of the fundraising described above, the company will still have an as yet unfunded working capital requirement during the next year. This requirement could increase beyond what is projected as achievement of the projected sales depends in part upon the company gaining new business and there is no certainty that this will be achieved. The directors have therefore commenced discussions with existing and new investors about additional finance, but have not yet secured any commitment, although they remain confident that this will be forthcoming

The inherent uncertainties concerning the achievement of future sales and the availability of additional funding have led the directors to conclude that there are material uncertainties that may cast significant doubt about the company's ability to continue as a going concern such that the company may be unable to realise its assets and discharge its liabilities in the normal course of business. However given the continuing efforts to secure new business and additional finance, the directors continue to adopt the going concern basis of accounting

1.8 Individual entity

Under the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006, the company has chosen to present information about itself as an individual undertaking and not about its group

1.9 Financial instruments

Financial instruments are classified, and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

ENVIROGENE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

2 Fixed assets

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
At 1 January 2009	530,859	192,621	1	723,481
Additions	33,389	35,415	-	68,804
At 31 December 2009	564,248	228,036	1	792,285
Depreciation				
At 1 January 2009	18,772	47,976	-	66,748
Charge for the year	100,189	43,105	-	143,294
At 31 December 2009	118,961	91,081	-	210,042
Net book value				
At 31 December 2009	445,287	136,955	1	582,243
At 31 December 2008	512,087	144,645	1	656,733

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Envirogene Trustee Limited	England & Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Principal activity	Capital and reserves 2009 £	Profit/(loss) for the year 2009 £
Envirogene Trustee Limited	Dormant	1	-

ENVIROGENE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

3	Share capital	2009 £	2008 £
	Authorised		
	36 631 Preferred Ordinary Shares of £1 each	36,631	-
	14,675 Ordinary Shares of 10p each	1,468	486
	6,927 'A' Ordinary Shares of 10p each	693	133
	2,555 'B' Ordinary Shares of 10p each	256	256
	- Preferred Ordinary Shares of 10p each	-	982
		<u>39,048</u>	<u>1,856</u>
	Allotted, called up and fully paid		
	14,118 Ordinary Shares of 10p each	1,412	430
	1,639 'A' Ordinary Shares of 10p each	164	133
	- Preferred Ordinary Shares of 10p each	-	982
		<u>1,576</u>	<u>1,545</u>

During the year, the company issued to employees 305 Ordinary Shares of 10p each at a premium of 90p per share

On 9 September 2009 the company passed a resolution to increase the authorised share capital by the creation of 36,631 preferred ordinary shares of £1 00 each and 5,593 'A' ordinary shares of £0 10 each. The resolution also reclassified 9,815 preferred ordinary shares of £0 10 each as ordinary shares of £0 10 each.

At 31 December 2009 warrants totalling 557 ordinary £0 10 shares remained outstanding. The warrants expire on the following dates with the following exercise prices:

137 ordinary shares 14 December 2011 at £277 24
 137 ordinary shares 14 December 2011 at £277 24
 137 ordinary shares 14 December 2011 at £277 24
 146 ordinary shares 17 September 2011 at £215 46