

OXECO PLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JANUARY 2010

Company Number 5969271

THURSDAY



OXECO PLC
DIRECTORS AND OFFICERS

DIRECTORS

Michael Bretherton (*Executive Chairman*)
Professor William Graham Richards CBE (*Non-Executive Director*)
Gordon Hall (*Non-Executive Director*)

COMPANY SECRETARY

Nigel Gordon

COMPANY NUMBER

5969271 (England & Wales)

COMPANY WEBSITE

www.oxecopl.com

REGISTERED OFFICE

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The Registry
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NOMINATED ADVISER

ZAI Corporate Finance Limited
12 Camomile Street
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EC3A 7PT

BROKER

ZAI Broking Limited
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London
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AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
2 Bloomsbury Street
London
WC1B 3ST

LEGAL ADVISER

Fasken Martineau LLP
17 Hanover Square
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OXECO PLC
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OXECO PLC
CHAIRMAN'S STATEMENT

Oxeco Plc ("the Company") is a holding and management company which was established with a stated strategy of seeking investments in or acquiring assets, businesses or companies in the technology and science sectors. The Company currently has one subsidiary, Oxray Ltd ("Oxray"), which was acquired in June 2007 as a start up business which aimed to become a leading provider of molecular structure determination services to both industry and academic institutions.

By early 2009, Oxray had substantially completed the development of its novel X-ray crystallography structure determination software but the results of marketing efforts to establish a solid customer base had been disappointing. Also, Oxray had not been able to strengthen and develop its product service offering through bolt-on acquisitions in this field as originally envisaged in June 2007. The Directors therefore undertook a review of the Oxray business and concluded that this was not a market to which the Company intended to commit further significant resource.

Subsequent efforts to secure a commercial exit from this business were not successful and a decision was taken to stop any further investment in Oxray with an emphasis on preserving the Group's cash. Oxray has now become a dormant subsidiary whilst retaining control of the underlying intellectual property and its results have been classified as discontinued operations.

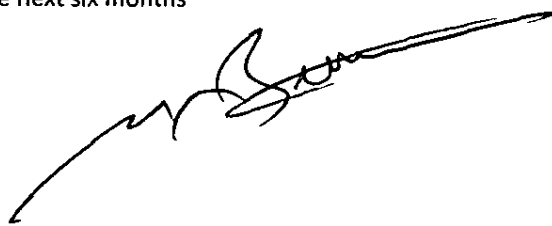
The consolidated trading loss for the year from continuing operations was £0.12 million, increasing to a loss of £0.23 million after incorporating the discontinued activities of the Oxray business, compared to a loss in the previous year of £0.03 million before impairment of goodwill which increased to a loss of £2.15 million after the impairment, and £2.35 million after incorporating discontinued activities.

Consolidated net assets at 31 January 2010 amounted to £2.30 million, including cash balances of £2.32 million compared with net assets of £2.52 million and cash balances of £2.53 million a year earlier at 31 January 2009. The cash outflow for the Group during the year to 31 January 2010 amounted to £0.22 million and cash balances continue to be managed prudently, with tight cost control.

Oxeco benefits from a solid balance sheet position whilst running a low cost base. Your Directors are continuing to evaluate a range of new commercial and acquisition opportunities within the general science and technology sector and I am confident that we will be successful in exploiting an investment opportunity during the next six months.

Michael Bretherton
Executive Chairman

25 March 2010



OXECO PLC DIRECTORS' REPORT

The Directors submit their report and the financial statements of Oxeco Plc for the year to 31 January 2010

PRINCIPAL ACTIVITIES

Oxeco Plc is an AIM listed investment company incorporated and domiciled in the UK. The Group's principal activities are to invest in or acquire assets or companies in the technology and science sectors as well as to develop businesses in this field.

BUSINESS REVIEW

A review of the Group's performance and future prospects is included in the Chairman's Statement on page 1.

KEY PERFORMANCE INDICATORS

Key Group performance indicators are set out below.

	Year to 31 January 2010 £000	Year to 31 January 2009 £000
Net assets	2,295	2,522
Loss attributable to equity holders		
- Loss pre goodwill impairment from continuing activities	(120)	(32)
- Loss pre goodwill impairment	(227)	(228)
- Loss post goodwill impairment	(227)	(2,348)
Cash and cash equivalents	2,316	2,534

The Directors do not currently use any non-financial KPIs to monitor the Group's activities.

RESULTS AND DIVIDENDS

The consolidated trading loss for the year after taxation from continuing operations was £120,000 which increased to a loss of £227,000 after incorporating the loss from discontinued operations (2009 loss for the year after taxation from continuing operations £32,000, loss after taxation before goodwill impairment £228,000, loss after taxation, after goodwill impairment £2,348,000) which has been transferred to reserves. The Directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year are given below.

Michael Bretherton	(Executive Chairman)
Professor William Graham Richards CBE	(Non-Executive Director)
Gordon Hall (appointed 2 June 2009)	(Non-Executive Director)
Professor Stephen Davies (resigned 23 July 2009)	(Non-Executive Director)
Jussi Westergren (resigned 18 March 2009)	(Executive Chairman)

OXECO PLC
DIRECTORS' REPORT (CONTINUED)
For the year ended 31 January 2010

Details of the Directors' interests are shown in the Directors' Remuneration Report on pages 6 to 7

Directors' Indemnity insurance

The Group has maintained insurance throughout the year for its directors and officers against the consequences of actions brought against them in relation to their duties for the Group

Profile of the Directors

Michael Anthony Bretherton, BA, ACA, Aged 54, Executive Chairman

Michael Bretherton graduated in Economics from University of Leeds and then worked as an accountant and manager with PricewaterhouseCoopers for 7 years in both London and the Middle East. He subsequently moved into industry and commerce where he has held the position of finance director at a number of quoted companies over a 25 year period. During the period he has been involved in the strategic evaluation and commercial implementation of a broad range of business initiatives, including acquisitions, disposals, company restructurings and IPO float listings. Michael is currently finance director of AIM listed Ora Capital Partners Limited and is also Chairman of Oxford Advanced Surfaces Group Plc. In addition, he is a director of Nanoco Group Plc, Obtala Resources Plc and Oxford Nutrascience Group Plc.

Professor William Graham Richards, CBE, MA, DPhil, DSc, CChem, FRSC, Aged 69, Non-executive Director

Graham Richards graduated in Chemistry from Brasenose College, Oxford in 1962. Graham has been a lecturer in the University of Oxford for over 35 years where he was also Chairman of Chemistry from 1997 to July 2006. Graham is a leading figure in the field of computer-aided drug design and is the author of over 300 scientific articles and 15 books. He was awarded the Royal Society Mullard Award for his work on the development of the methods of computer aided molecular design, their application and exploitation and has been named as the recipient of the American Chemical Society's award for computers in chemical and pharmaceutical research. Graham has also been a visiting professor at Stanford University and at the University of California, Berkeley.

Graham has consulted for a number of major pharmaceutical companies and was a director of Catalyst Biomedica Limited, the technology transfer company of the Wellcome Trust, from 1998 to 2002. Graham is the scientific founder of Oxford Molecular Group Plc of which he was Chairman from 1989 to 1994 and Inhibox Limited of which he remains a director. Graham was also a director of the University of Oxford technology transfer company Isis Innovation Limited from 1998-2008 and is senior Non Executive at IP Group Plc.

Gordon Hall, Aged 66, Non-executive Director

Gordon commenced his business career at Rank Xerox and subsequently moved to Abbott Laboratories where he built up substantial international sales, management and development expertise. He became Chief Executive Officer of Shield Diagnostic Ltd (now Axis Shield plc) in 1990 and was responsible for listing the company on the London Stock Exchange. More recently Gordon has been involved with a range of different companies and he is currently a Non-Executive Director of International Brand Licensing Plc and Nanoco Group Plc, both of which are listed on AIM.

OXECO PLC
DIRECTORS' REPORT (CONTINUED)
For the year ended 31 January 2010

SUBSTANTIAL SHAREHOLDERS

The Company is aware that, in addition to the holdings disclosed under Directors' interests in shares above, at 31 January 2010 the following persons had an interest in three per cent or more of the issued Ordinary Share capital of the Company

Name	Number of Ordinary Shares of 0.1p each	Percentage of the issued share capital
Ora (Guernsey) Limited	271,500,000	45.25%
Nora Powell	116,000,000	19.33%
Kinsale Management Limited	55,000,000	9.17%
David Norwood	54,500,000	9.08%

POLICY ON PAYMENT OF SUPPLIERS

Group and Company policy is to agree and clearly communicate the terms of payment as part of the commercial arrangements negotiated with suppliers and then to pay according to those terms based on the timely receipt of an accurate invoice

Creditor days for the Group at 31 January 2010 are 10 days (2009: 20 days) Creditor days for the Company at 31 January 2010 are 16 days (2009: 30 days)

EMPLOYMENT POLICIES

The Group supports employment of disabled people wherever possible through recruitment, by retention of those who become disabled and generally through training, career development and promotion

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

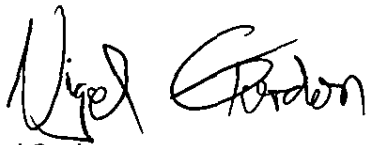
The Directors who were in office on the date of approval of these financial statements have confirmed that as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

OXECO PLC
DIRECTORS' REPORT (CONTINUED)
For the year ended 31 January 2010

AUDITOR

In accordance with section 489 of the Companies Act 2006, a resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants will be put to the members at the Annual General Meeting

By order of the board

A handwritten signature in black ink, appearing to read 'Nigel Gordon', is written over the printed name.

Nigel Gordon
Company Secretary

25 March 2010

OXECO PLC
DIRECTORS' REMUNERATION REPORT

Companies with securities listed on AIM do not need to comply with either of the Directors' Remuneration Report Regulations 2002 or the UKLA Listing Rules. The Remuneration Committee is however committed to maintaining high standards of corporate governance and disclosure and has applied the guidelines as far as practical given the current size and development of the Company.

Remuneration Committee

The remuneration committee's primary responsibilities are to review the performance of the Executive Directors of the Company and to determine the broad policy and framework for their remuneration and the terms and conditions of their service and that of senior management (including the remuneration of and grant of options to such persons under any share scheme adopted by the Company). The remuneration committee comprises Graham Richards, who will act as chairman of the committee, and Gordon Hall. The committee meets no less than twice in each financial year.

The remuneration of non-executive directors shall be a matter for the Executive Chairman and any other executive members of the board of the Company.

There are two main elements of the remuneration packages for Executive Directors and senior management.

Basic annual salary (including directors' fees)

The base salary is reviewed annually at the beginning of each year. The review process is undertaken by the Remuneration Committee and takes into account several factors, including the current position and development of the Group, individual contribution and market salaries for comparable organisations.

Discretionary annual bonus

All Executive Directors and senior managers are eligible for a discretionary annual bonus which is paid in accordance with a bonus scheme developed by the Remuneration Committee. This takes into account individual contribution, business performance and commercial progress, along with financial results.

Remuneration Policy for Non-executive Directors

Remuneration for Non-executive Directors is set by the Board as a whole. Non-executives do not participate in bonus schemes.

OXECO PLC
DIRECTORS' REMUNERATION REPORT (CONTINUED)

Directors' remuneration

The remuneration of the individual Directors who served in the year to 31 January 2010 was

	Salaries & fees	
	2010 £000	2009 £000
Michael Bretherton	10	10
Professor William Graham Richards CBE	10	10
Gordon Hall (appointed 2 June 2009)	7	-
Jussi Westergren (resigned 18 March 2009)	1*	10*
Professor Stephen Davies (resigned 23 July 2009)	8	10
David Norwood (resigned 31 December 2008)	-	9

*fees paid to Pembroke House Technologies Ltd in the year on behalf of Jussi Westergren

All of the Directors were appointed on letters of appointment which may now be terminated on not less than 3 months notice. The basic fee payable to each of the Directors is £10,000 per annum.

Directors' interests

Directors' interests in the shares of the company, including family interests at 31 January 2010, were as follows

	Ordinary shares of 0.1p each		Percentage of the issued share capital	
	2010 Number	2009 Number	2010 %	2009 %
Michael Bretherton	2,000,000	2,000,000	0.33	0.33
Professor William Graham Richards CBE	1,000,000	1,000,000	0.17	0.17
Gordon Hall (appointed 2 June 2009)	-	-	-	-
Jussi Westergren (resigned 18 March 2009)*	-	-	-	-
Professor Stephen Davies (resigned 23 July 2009)	-	56,000,000	-	9.33

*IPX Global Limited, one of the beneficiaries of which is Jussi Westergren, held no shares in the Company (2009 56,000,000)

On behalf of the Board



Graham Richards
Chairman of the Remuneration Committee
25 March 2010

OXECO PLC
CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE

The Directors recognise the importance of sound corporate governance and intend to ensure that, at all times, the Company continues to apply policies and procedures which reflect the principles of Good Governance and Code of Best Practice as published by the Committee on Corporate Governance (commonly, known as "the Combined Code") as are appropriate to the size, nature and stage of development of the Company. The Directors endeavour to comply with the Quoted Company Alliance Guidelines in such respects as are appropriate for a company of its size, nature and stage of development following Admission.

The Board is responsible for formulating, reviewing and approving the Company's strategy, budgets and corporate actions. The Directors hold Board meetings quarterly and at other times as and when required.

The Company has established audit and remuneration committees of the Board with formally delegated duties and responsibilities.

The Board

The Board currently comprises one executive and two non-executive Directors.

Audit Committee

The audit committee's primary responsibilities are to monitor the integrity of the financial affairs and statements of the Company, to ensure that the financial performance of the Company and any subsidiary of the Company is properly measured and reported on, to review reports from the Company's auditors relating to accounting and internal controls and to make recommendations relating to the appointment of the external auditors.

The audit committee comprises the two non-executive Directors, Gordon Hall and Graham Richards, with Gordon as chairperson. The committee will meet not less than twice in each financial year.

Remuneration Committee

The responsibilities and composition of the remuneration committee are described in the Directors' Remuneration Report on page 6.

Nominations Committee

The Directors do not consider that, given the size of the Board, it is appropriate at this stage to have a nominations committee. However, this will be kept under regular review by the Board.

OXECO PLC
CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Internal Control

Ora (Guernsey) Limited ("Ora") holds, as at 31 January 2010, shares representing approximately 45.25 per cent of the Company's issued share capital. The Directors are satisfied that the Company is capable of carrying on its business independently of Ora and that all transactions and relationships between Ora and the Company are and will continue to be at arm's length and on commercial terms.

To ensure that Shareholders are adequately protected in this regard, the Company has entered into a relationship agreement with Ora pursuant to which it has given certain undertakings to the Company to the effect that the Board can operate on an independent basis.

The Board is responsible for maintaining a sound system of internal control. The Board has in place measures designed to manage, not eliminate risk and to provide reasonable but not absolute assurance against material misstatement or loss.

Some key features of the internal control system are:

- (i) Management accounts information and business risk issues are regularly reviewed by the Board who meet at least 4 times per year,
- (ii) The Company has operational, accounting and employment policies in place,
- (iii) There is a clearly defined organisational structure and there are well-established financial reporting and control systems, and
- (iv) Accounting systems and procedures will be reviewed at least annually as the business grows in order to ensure that they are appropriate to the size and complexity of the business.

Investing policy

- To invest in companies or projects in the science and technology sectors,
- To invest through limited liability vehicles including company acquisitions, joint ventures and minority holdings, or where appropriate through the purchase of pure intellectual property,
- Any such acquisition may be deemed a reverse takeover as per AIM Rule 14,
- The investment may be passive or active which will be driven by the size of the stake and the Company would like to retain the flexibility to assess this on a case by case basis, and
- The company will not be seeking to define any length of time for any investment nor any target returns at this stage.

Going Concern

The Group has considerable financial resources available. As at 31 January 2010, the Group has cash and cash equivalents of £2.3 million. As a response to market conditions, the Group has continued to maintain a low cost base and took the decision in the year to wind down its subsidiary, Oxray Limited, to help preserve cash in the short-term. In addition, if a new investment presents itself which would require additional funding, any necessary additional facilities will be sought and agreed prior to committing the Group to such an investment to ensure that the Group's ability to trade is not affected. After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

OXECO PLC
CORPORATE GOVERNANCE STATEMENT (CONTINUED)

RISK MANAGEMENT

Financial Instruments

The Group's financial instruments include cash, trade receivables and trade payables arising directly from its operations. The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Directors review and agree policies for managing risk at least annually.

Interest rate risk

The Group has no external financing facilities therefore its interest rate risk is limited to the level of interest received on its cash surpluses. Interest rate risk on cash and cash equivalents is mitigated by using fixed-rate deposit accounts.

Liquidity risk

The Group seeks to manage liquidity risk by ensuring sufficient funds are available to meet foreseeable needs and to invest cash assets safely and profitably. The Group had net cash balances of £2.3 million as at 31 January 2010 (2009: £2.5 million).

Credit risk

The Group's principal financial asset is cash. The credit risk associated with cash is limited and cash is held on deposit at established banks with high credit ratings.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare group and company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and have elected under company law to prepare the company financial statements in accordance with IFRS as adopted by the EU.

The financial statements are required by law and IFRS adopted by the EU to present fairly the financial position of the group and the company and the financial performance of the group and the company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group and the company for that period.

OXECO PLC
CORPORATE GOVERNANCE STATEMENT (CONTINUED)

In preparing the group and company financial statements, the Directors are required to

- a select suitable accounting policies and then apply them consistently,
- b. make judgements and accounting estimates that are reasonable and prudent,
- c state whether they have been prepared in accordance with IFRSs adopted by the EU,
- d prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the Oxeco website, www.oxecopl.com

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXECO PLC

We have audited the group and parent company financial statements ("the financial statements") on pages 14 to 35

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 more fully explained in the Statement of Directors' Responsibilities on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP

Opinion on the financial statements

In our opinion

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2010 and of the group's loss for the year then ended,
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the Companies Act 2006, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXECO PLC (CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Baker Tilly UK Audit LLP

Gregory Craig Waller (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

2 Bloomsbury Street

London WC1B 3ST

25 March 2010

OXECO PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 January 2010

	Notes	Year to 31 January 2010 £000	Restated Year to 31 January 2009 £000
Continuing operations			
Revenue		-	-
Administrative expenses		(131)	(162)
Impairment of goodwill		-	(2,120)
Operating loss	2	(131)	(2,282)
Finance income	3	9	127
Loss before taxation		(122)	(2,155)
Taxation	5	2	3
Loss for the year from continuing operations		(120)	(2,152)
Discontinued operations			
Loss after tax from discontinued operations	16	(107)	(196)
Total comprehensive income for the year		(227)	(2,348)
Attributable to			
Owners of the parent		(227)	(2,348)
Loss per share			
Basic & diluted on continuing operations.			
– post impairment of goodwill	6	(0.02)p	(0.36)p
– pre impairment of goodwill	6	(0.02)p	(0.01)p
Basic & diluted on total loss for the year			
– post impairment of goodwill	6	(0.04)p	(0.39)p
– pre impairment of goodwill	6	(0.04)p	(0.04)p

OXECO PLC
STATEMENTS OF CHANGES IN EQUITY
For the year ended 31 January 2010

The Group	Attributable to the owners of the parent			Total Equity £000
	Share Capital £000	Share Premium £000	Retained Deficit £000	
At 31 January 2008	600	4,333	(63)	4,870
Total comprehensive income for the year	-	-	(2,348)	(2,348)
At 31 January 2009	600	4,333	(2,411)	2,522
Total comprehensive income for the year	-	-	(227)	(227)
At 31 January 2010	600	4,333	(2,638)	2,295

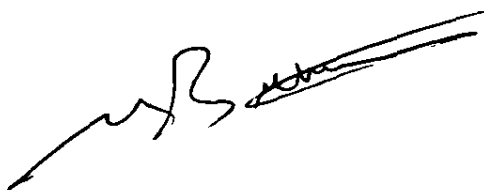
The Company	Attributable to the owners of the parent			Total Equity £000
	Share Capital £000	Share Premium £000	Retained Earnings/ (Deficit) £000	
At 31 January 2008	600	4,333	21	4,954
Total comprehensive income for the year	-	-	(2,432)	(2,432)
At 31 January 2009	600	4,333	(2,411)	2,522
Total comprehensive income for the year	-	-	(227)	(227)
At 31 January 2010	600	4,333	(2,638)	2,295

OXECO PLC
STATEMENT OF FINANCIAL POSITION
As at 31 January 2010

	Notes	Group 2010 £000	Group 2009 £000	Company 2010 £000	Company 2009 £000
ASSETS					
Non-current assets					
Property, plant and equipment	7	-	2	-	-
Intangible assets - goodwill	8	-	-	-	-
Investment in subsidiary undertaking	9	-	-	-	-
		-	2	-	-
Current assets					
Trade and other receivables	10	11	28	11	21
Cash and cash equivalents	11	2,316	2,534	2,316	2,524
		2,327	2,562	2,327	2,545
TOTAL ASSETS		2,327	2,564	2,327	2,545
LIABILITIES					
Current liabilities					
Trade and other payables	12	(32)	(42)	(32)	(23)
Current taxation	5	-	-	-	-
TOTAL LIABILITIES		(32)	(42)	(32)	(23)
NET ASSETS		2,295	2,522	2,295	2,522
EQUITY					
Attributable to owners of the parent					
Share capital	13	600	600	600	600
Share premium	14	4,333	4,333	4,333	4,333
Retained deficit		(2,638)	(2,411)	(2,638)	(2,411)
TOTAL EQUITY		2,295	2,522	2,295	2,522

Approved by the board of Directors and authorised for issue on 25 March 2010 and signed on its behalf by

Michael Bretherton
Executive Chairman



Company number 5969271

OXECO PLC
STATEMENT OF CASH FLOWS
For the year ended 31 January 2010

		Group	Restated Group	Company	Company
	Notes	2010 £000	2009 £000	2010 £000	2009 £000
OPERATING ACTIVITIES					
Operating loss from continuing operations		(131)	(2,282)	(238)	(2,562)
Loss before tax from discontinued operations	16	(107)	(196)	-	-
Depreciation of property, plant and equipment		2	1	-	-
Impairment of goodwill	8	-	2,120	-	-
Impairment of investment	9	-	-	-	2,100
Impairment of loan to subsidiary undertaking		-	-	107	300
Decrease/(increase) in trade and other receivables		17	1	(97)	(98)
(Decrease)/increase in trade and other payables		(10)	5	9	14
Tax received/(paid)		2	(2)	2	(2)
Net cash outflow from operations		(227)	(354)	(217)	(248)
INVESTING ACTIVITIES					
Interest received		9	127	9	126
Net cash inflow from investing activities		9	127	9	126
DECREASE IN CASH AND CASH EQUIVALENTS					
EQUIVALENTS		(218)	(227)	(208)	(122)
Cash and cash equivalents at start of year		2,534	2,761	2,524	2,646
CASH AND CASH EQUIVALENTS AT 31 JANUARY 2010	11	2,316	2,534	2,316	2,524

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 January 2010

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards as issued by the International Accounting Standards Board ("IASB"), as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") as adopted by the European Union

New and Amended Standards Adopted By The Group

The Company has for the first time presented income and expenses in one statement, a statement of comprehensive income, which is separate from owner changes in equity, as required by IAS 1 (revised) 'Presentation of Financial Statements'. Components of other comprehensive income, being items of income and expense not recognised in profit or loss as permitted by other IFRS, are also displayed in the statement of comprehensive income

The directors have also adopted IFRS 8 'Operating Segments'

On 1 February 2009, the Company early adopted the amendments to IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations (amendments)' which is effective for accounting periods commencing on or after 1 July 2009

The Directors do not believe that the adoption of these amendments has had a material impact on the financial information of the Company

CONSOLIDATION

The consolidated financial statements incorporate those of Oxeco Plc and its subsidiary undertaking, Oxray Ltd

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effects of potential voting rights are considered when assessing whether the Group controls the entity. Subsidiaries are fully consolidated from the date control passes

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The costs of an acquisition are measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at acquisition date irrespective of the extent of any non-controlling interest. The difference between the cost of acquisition of shares in subsidiaries and the fair value of the identifiable net assets acquired is capitalised as goodwill and reviewed annually for impairment. Any amount by which the cost of acquisition is below the fair value of identifiable net assets acquired (i.e. discount on acquisition) is recognised directly in the income statement

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

All intra-group transactions, balances, and unrealised gains on transactions between Group companies are eliminated on consolidation. Subsidiaries' accounting policies are amended where necessary to ensure consistency with the policies adopted by the Group. The financial statements of all Group companies are made up to 31 January 2010.

As provided by section 408 of the Companies Act 2006, no statement of comprehensive income is presented for Oxeco Plc. The loss after tax for the year ended 31 January 2010 was £120,000 (2009 £32,000) before impairment of amounts due from the subsidiary and £227,000 (2009 £2,432,000) after impairment.

SEGMENTAL REPORTING

The reportable disclosures are identified by the chief operating decision maker by the way management has organised the firm. The firm operates out of one location and in one business.

The chief operating decision maker reviews the performance of the Company and Group based on total revenues and costs and not by any segmental reporting.

REVENUE

Revenue is measured at the fair value of the consideration received or receivable in the normal course of business, net of discounts, VAT and other sales related taxes and is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow in to the Group.

SOFTWARE DEVELOPMENT

All costs associated with the development of software are expensed to the income statement as incurred until such time that the following criteria are met:

- it is technically feasible to complete the product,
- management intends to complete the product and use or sell it,
- there is an ability to use or sell the product,
- it can be demonstrated how the product will generate probable future economic benefits,
- adequate technical, financial and other resources are available to complete the development, use and sale of the product, and
- expenditure attributable to the product can be reliably measured.

Once the criteria are met, development costs directly attributable to the product are recognised as intangible assets and amortised, once available for use or sale, over their useful economic life.

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost

Depreciation is provided on all property, plant and equipment at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Fixtures and equipment.	over 3 years
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INVESTMENTS

Investments in subsidiaries are stated in the statement of financial position of the parent company at cost less provision for any impairment

INTANGIBLE ASSETS - GOODWILL

Goodwill arising on consolidation of subsidiaries represents the excess of fair value of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities at the date of acquisition.

Goodwill on acquisition of subsidiaries is included in intangible assets and allocated from acquisition date to each of the Group's cash-generating units ("CGU") that are expected to benefit from the business combination in which the goodwill arose

Goodwill is tested for impairment annually and whenever there is an indication that the asset may be impaired

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, being the higher of its fair value less costs to sell and its value in use, is estimated in order to determine the extent of any impairment loss

Discounted cash flow valuation techniques are generally applied for assessing value in use using 3-5 year forward-looking cash flow projections and terminal value estimates, together with discount rates appropriate to the risk of the related asset or cash generating unit to which the asset belongs

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

FINANCIAL ASSETS AND LIABILITIES

Trade and other receivables

Trade and other receivables do not carry any interest and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

Impairment provisions are recognised when there is objective evidence that the Group will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Trade and other payables

Trade and other payables are not interest bearing and are initially recognised at fair value. They are subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash at hand and deposits on a term of not greater than 3 months.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from share premium.

PENSION COSTS

Contributions by the Group to personal pension schemes are charged to the income statement on a straight-line basis as they become due.

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax payable is based on taxable profit for the year. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled based upon rates enacted and substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is measured on a non-discounted basis.

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and assumptions in relation to impairment reviews are considered to have the most significant effect on the carrying amount of the assets in the financial statements. The recoverable amount is determined using value in use calculations. The use of this method requires the estimation of future cash flows and the selection of a suitable discount rate in order to calculate the present value of these cash flows.

ACCOUNTING STANDARDS AND INTERPRETATIONS NOT APPLIED

At the date of authorisation of these financial statements, the following Standards and Interpretations relevant to the operations of the Group, which have not yet been applied in these financial statements, were in issue but not yet effective.

		Effective for periods commencing on or after
IFRS 3	Business Combinations (revision)	1 July 2009
IFRS 8	Operating Segments (amendments)	1 January 2010
IAS 7	Statement of Cash Flows (amendments)	1 January 2010
IAS 24	Related Parties Disclosures (revision)	1 January 2011
IAS 27	Consolidated and Separate Financial Statements (revision)	1 July 2009
IAS 32	Financial Instruments: Presentation (amendments)	1 February 2010
IAS 36	Impairment of Assets (amendments)	1 January 2010
IAS 38	Intangible Assets (amendments)	1 July 2009
IAS 39	Financial Instruments: Recognition and Measurement (amendments)	1 July 2009

The Directors do not anticipate that the adoption of these Standards and Interpretations will have a material impact on the financial statements of the Group.

RESTATEMENT OF COMPARATIVE INFORMATION

Comparative information has been re-stated to present the results of the discontinued operations as discontinued in the prior year – see note 16 for further details of the discontinued operations.

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

2) OPERATING LOSS

Continuing operations	Year to 31 January 2010 £000	Restated Year to 31 January 2009 £000
Operating loss is stated after charging		
Regulatory costs	41	53
Staff costs (see note 4)	37	51
Auditor's remuneration		
Fees payable to the Company's auditor for the audit of the parent company and consolidated financial statements	18	16
Fees payable to the Company's auditor for the audit of the financial statements of the subsidiary	5	12
Total auditor's remuneration	23	28

3) FINANCE INCOME

	Year to 31 January 2010 £000	Year to 31 January 2009 £000
Bank interest receivable	9	127

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

4) STAFF COSTS

	Year to 31 January 2010 Number	Year to 31 January 2009 Number
The average monthly number of persons (including Directors) employed by the Group during the year was		
Administration and management	6	7
	Year ended 31 January 2010 £000	Restated Year to 31 January 2009 £000
The aggregate remuneration comprised		
Continuing operations		
Wages and salaries	35	49
Social security costs	2	2
	37	51
Discontinued operations		
Wages and salaries	64	81
Contributions to personal pension schemes	6	6
Social security costs	7	12
	77	99
	114	150
Director's remuneration included in the aggregate remuneration above comprised		
Emoluments for qualifying services	35	49

No pension contributions were made on behalf of the directors (2009 Nil)

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

5) TAXATION

The Group	Year to 31 January 2010 £000	Restated Year to 31 January 2009 £000
Current tax		
UK corporation tax on losses for the year	-	-
Prior period adjustment	(2)	(3)
	(2)	(3)
Deferred tax:		
Origination and reversal of timing differences	-	-
Tax on loss on ordinary activities	(2)	(3)
Factors affecting tax charge for the year		
The tax assessed for the year varies from the standard rate of corporation tax as explained below		
Loss on ordinary activities before tax	(122)	(2,155)
Loss on ordinary activities multiplied by the standard rate of corporation tax 28% (2009 28%)	(34)	(603)
Effects of		
Expenses not deductible for tax purposes	-	600
Prior period adjustment	(2)	(3)
Unutilised tax losses	34	3
Tax credit for the year	(2)	(3)

The Group has estimated losses of £150,000 available for carry forward against future trading profit (2009 £398,000) The Group has not recognised deferred tax assets of £42,000 relating to these losses as their recoverability is uncertain (2009 £111,000)

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

6) LOSS PER SHARE

	Year to 31 January 2010 £'000	Restated Year to 31 January 2009 £'000
Basic		
Loss for the year represented by:		
Continuing operations pre impairment	(120)	(32)
Impairment	-	(2,120)
Discontinued operations	(107)	(196)
Total loss for the year	(227)	(2,348)
Weighted average number of ordinary shares	'000	'000
Weighted average number of ordinary shares used in calculating earnings per share	600,000	600,000
Earnings per share		
Basic & diluted on continuing operations		
– post impairment of goodwill	(0.02)p	(0.36)p
– pre impairment of goodwill	(0.02)p	(0.01)p
Basic & diluted on the total loss for the year		
– post impairment of goodwill	(0.04)p	(0.39)p
– pre impairment of goodwill	(0.04)p	(0.04)p

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

7) PROPERTY, PLANT AND EQUIPMENT

The Group	Fixtures and equipment £000
Cost	
At 31 January 2008	3
Additions	1
At 31 January 2009	4
Disposals	(4)
At 31 January 2010	-
Depreciation	
At 31 January 2008	1
Charge for the year	1
At 31 January 2009	2
Charge for the year	2
Disposals	(4)
At 31 January 2010	-
Net book value	
At 31 January 2010	-
At 31 January 2009	2
At 31 January 2008	2

8) INTANGIBLE ASSETS - GOODWILL

The Group	£000
Cost and net book value	
At 31 January 2008	2,120
Impairment for the year to 31 January 2009	(2,120)
At 31 January 2009 and 31 January 2010	-

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

9) INVESTMENT IN SUBSIDIARY

The Company	£000
Cost	
At 31 January 2008 and 31 January 2009	2,100
Transfer of a 15 per cent interest	(315)
At 31 January 2010	1,785
Impairment	
At 31 January 2008	-
Impairment	(2,100)
At 31 January 2009	(2,100)
Reversal of element of impairment relating to disposal	315
At 31 January 2010	(1,785)
Carrying value	
31 January 2010	-
31 January 2009	-
31 January 2008	2,100

The Company's investment in Oxray Limited was written down to nil in the year ended 31 January 2009 and subsequent efforts to secure a commercial exit from the Oxray business were not successful. The Directors therefore concluded that the most prudent course of action was to stop any further investment in Oxray with an emphasis on preserving cash. The subsidiary has now become a dormant subsidiary whilst retaining control of the underlying intellectual property ("IP"). In addition, the Company has transferred an equity stake of 15 per cent in this subsidiary at nil consideration to Oxray's former Commercial Manager as an incentive to help potentially realise some future value from the IP.

At 31 January 2010 the Company had an investment in the following dormant subsidiary where it holds 50 per cent or more of the issued share capital. Oxray Limited is incorporated in England and Wales.

Undertaking	Sector	Share of issued ordinary share capital and voting rights	
		31 January 2010	31 January 2009
		%	%
Oxray Ltd	Technology	85	100

All subsidiaries have been included in the consolidated financial statements.

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

10) TRADE AND OTHER RECEIVABLES

	Group 2010 £000	Group 2009 £000	Company 2010 £000	Company 2009 £000
Trade and other receivables	2	6	2	4
Prepayments and accrued income	9	22	9	17
	11	28	11	21

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value

A maturity analysis has not been included as all of the receivables are current and none are past due or impaired

11) RISK MANAGEMENT OF FINANCIAL ASSETS AND LIABILITIES

The Group's activities expose it to a variety of financial risks market risk (primarily interest risk), credit risk and liquidity risk The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance

The management of these risks is vested in the Board of Directors The policies for managing each of these risks are summarised below

Management of market risk

The most significant area of market risk to which the Group and Company are exposed is interest risk However, as the Group has no borrowings, its risk is limited to the reduction of interest received on cash surpluses held This risk is managed in accordance with the liquidity requirement of the Group, ensuring that surplus funds are held within fixed rate accounts to mitigate the risk

Interest rate risk sensitivity

The Group holds interest-bearing cash and cash equivalent balances held as set out below

	31 January 2010			31 January 2009		
	Fixed rate £000	Floating rate £000	Total £000	Fixed rate £000	Floating rate £000	Total £000
Cash and cash equivalents	532	1,784	2,316	1,524	1,010	2,534

The impact of a 10 per cent increase/decrease in the average annual interest rates on the total cash and cash equivalents balances equates to £2,000 (31 January 2009 £1,000)

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

Management of credit risk

The Group's principal financial asset is cash and cash equivalents. Credit risk associated with trade and other receivables is considered to be minimal as the majority are due from related parties with no history of defaulting and they are immaterial in size.

The Group seeks to limit the level of credit risk on the cash balances by only depositing surplus liquid funds with counterparty banks, as shown below.

Credit risk sensitivity

The Group	2010 £000	2009 £000
Cash and cash equivalents		
A	1,784	2,534
BBB*	532	-
	2,316	2,534

*the relevant bank was downgraded from A to BBB in the year

The maximum exposure to credit risk on the Group's financial assets is represented by their carrying amounts as outlined in the categorisation of financial instruments table below.

The Group does not consider that any changes in fair value of financial assets or liabilities in the year are attributable to credit risk.

No aged analysis of financial assets is presented as no significant financial assets are past due at the reporting date.

Management of liquidity risk

The Group seeks to manage liquidity risk by regularly reviewing cash flow budgets and forecasts to ensure that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Group deems there is sufficient liquidity for the foreseeable future.

The Group and the Company had cash and cash equivalents at 31 January 2010 of £2,316,000 (2009 £2,534,000) and £2,316,000 (2009 £2,524,000) respectively. The disclosures above in respect of market risk, credit risk and liquidity risk apply to both the Group and the Company.

As at 31 January 2010 all financial assets and liabilities mature for payment within one year.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders.

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings as disclosed in notes 13 and 14 and in the Group Statement of Changes in Equity

The Group manages its capital structure in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, buy back shares or issue new shares.

The Group monitors capital by using the net asset per share ratio. At 31 January 2010 the net asset per share was 0.38p compared to 0.42p at 31 January 2009.

No changes were made in the objectives, policies or processes during the years ended 31 January 2010 and 31 January 2009.

Categorisation of financial instruments

The Group

Financial assets/(liabilities)	Loans and receivables £000	Financial liabilities at amortised cost £000	Total £000
At 31 January 2010			
Trade and other receivables	2	-	2
Cash and cash equivalents	2,316	-	2,316
Trade and other payables	-	(31)	(31)
TOTAL	2,318	(31)	2,287
At 31 January 2009			
Trade and other receivables	6	-	6
Cash and cash equivalents	2,534	-	2,534
Trade and other payables	-	(38)	(38)
TOTAL	2,540	(38)	2,502

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

The Company

Financial assets/(liabilities)	Loans and receivables £000	Financial liabilities at amortised cost £000	Total £000
At 31 January 2010			
Trade and other receivables	2	-	2
Cash and cash equivalents	2,316	-	2,316
Trade and other payables	-	(31)	(31)
TOTAL	2,318	(31)	2,287
At 31 January 2009			
Trade and other receivables	4	-	4
Cash and cash equivalents	2,524	-	2,524
Trade and other payables	-	(22)	(22)
TOTAL	2,528	(22)	2,506

12) TRADE AND OTHER PAYABLES

	Group 2010 £000	Group 2009 £000	Company 2010 £000	Company 2009 £000
Trade payables	4	12	4	8
Other taxes and social security	1	4	1	1
Accruals	27	26	27	14
	32	42	32	23

The Directors consider that the carrying amount of trade and other payables approximates to their fair value

13) SHARE CAPITAL

The Group and the Company

	Number	£000
Authorised ordinary shares of 0 1p		
At 31 January 2008, 31 January 2009 and 31 January 2010	1,000,000,000	1,000
Allotted, issued and fully paid ordinary shares of 0 1p		
At 31 January 2008, 31 January 2009 and 31 January 2010	600,000,000	600

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

14) SHARE PREMIUM ACCOUNT

The Group and the Company

	£000
At 31 January 2008, 31 January 2009 and 31 January 2010	4,333

15) COMMITMENTS UNDER OPERATING LEASES

At 31 January 2010, the Group and Company had no commitments under non-cancellable leases

16) DISCONTINUED OPERATIONS

In June 2007 the Company acquired 100 per cent of the issued share capital in Oxray Limited, a start up business that aimed to become a leading provider of molecular structure determination services. By early 2009, Oxray had substantially completed the development of its novel X-ray crystallography structure determination software but the results of marketing efforts to establish a solid customer base had been disappointing. Also, Oxray had not been able to strengthen and develop its product service offering through bolt-on acquisitions in this field as originally envisaged in June 2007.

The Company's investment in Oxray was written down to nil in the financial statements for the year ended 31 January 2009 as announced on 20 April 2009. Subsequent efforts to secure a commercial exit from the Oxray business were not successful and the Directors therefore concluded in July 2009 that the most prudent course of action in the current economic climate was to stop any further investment in Oxray with an emphasis on preserving the Group's cash. Oxray has now become a dormant subsidiary whilst retaining control of the underlying intellectual property ("IP"). In addition, the Company has transferred an equity stake of 15 per cent in this subsidiary at nil consideration to Oxray's former Commercial Manager as an incentive to help potentially realise some future value from the IP.

The results of Oxray for the period from 1 February 2009 which have been classified within discontinued operations in the consolidated financial statements are as follows:

	Year to 31 January 2010 £000	Year to 31 January 2009 £000
Revenue	12	18
Operating costs	(119)	(214)
Operating loss	(107)	(196)
Finance income	-	-
Loss before and after tax	(107)	(196)
Attributable to Equity holders of parent	(107)	(196)

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

Operating loss is stated after charging

	Year to 31 January 2010 £000	Year to 31 January 2009 £000
Depreciation of property, plant and equipment	2	1
Operating lease rentals	6	5
Software development and research costs	34	74
Foreign exchange losses	-	1
Staff costs (see note 4)	77	99

Auditor's remuneration for the discontinued operations was borne by the parent company

Cashflows from discontinued operations

	Year to 31 January 2010 £000	Year to 31 January 2009 £000
Operating cashflows	(117)	(206)
Investing cashflows	-	1
Financing cashflows	107	100
Total cashflows	(10)	(105)

17) RELATED PARTY TRANSACTIONS

Trading transactions

During the year the Company entered into the following transactions with Ora Capital Limited, which is a fellow subsidiary of Ora (Guernsey) Limited which as at 31 January 2010 holds 45.25 per cent of the Company's issued share capital

	Group 2010 £000	Group 2009 £000	Company 2010 £000	Company 2009 £000
Consultancy fees charged by Ora Capital Limited in the year	12	12	12	12

The outstanding balance owed to Ora Capital Limited at the balance sheet date was £1,000 (2009 £1,000)

During the year, Oxray Limited borrowed £107,000 from the Company for working capital purposes (2009 £100,000). The loan is unsecured and non-interest bearing and it is repayable on demand. The outstanding balance at 31 January 2010 was £407,000 (2009 £300,000), which was fully provided against, resulting in a charge to the Company's income statement of £107,000 (2009 £300,000).

OXECO PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 January 2010

Transactions with Key Management Personnel

The Group's key management personnel comprised only the Directors of the Company

During the year Group companies entered into the following transactions in which the Directors had an interest

i Directors' remuneration

The remuneration of the individual Directors are shown below

		2010 Employer's national insurance	2009
Short-term employment benefits	Salaries & fees £000	£000	Total £000
Michael Bretherton	10	1	11
Professor William Graham Richards CBE	10	1	11
Gordon Hall (appointed 2 June 2009)	7	1	8
Jussi Westergren (resigned 18 March 2009)*	1	-	1
Professor Stephen Davies (resigned 23 July 2009)	8	1	9
David Norwood (resigned 31 December 2008)	-	-	-

*fees of were paid to Pembroke House Technologies Ltd in the year on behalf of Jussi Westergren

- ii Directors had interests in Ora Capital Partners Limited, which holds 45.25 per cent of the Company's share capital (directly held by Ora (Guernsey) limited which is a 100 per cent owned subsidiary of Ora Capital Partners Limited), as follows as at 31 January 2010

Director	% of issued share capital of Ora held
Michael Bretherton	0.06 %

Michael Bretherton is a Director of Ora Capital Partners Limited

17) ULTIMATE CONTROLLING PARTY

The Directors do not believe that there is an ultimate controlling party