

REGISTERED NUMBER: 2856632 (England and Wales)

Abbreviated Accounts
for the Year Ended 31 August 2004
for
Apollo Scientific Limited



Apollo Scientific Limited

**Contents of the Abbreviated Accounts
for the Year Ended 31 August 2004**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors on the Abbreviated Accounts	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Abbreviated Accounts	11

Apollo Scientific Limited

**Company Information
for the Year Ended 31 August 2004**

DIRECTORS:

A Hilgart Esq
P Whitehead Esq
P Walker Esq
M Tanuma

SECRETARY:

Miss J A Holland

REGISTERED OFFICE:

Whitefield Road
Bredbury
Stockport
Cheshire
SK6 2QR

REGISTERED NUMBER:

2856632 (England and Wales)

AUDITORS:

Thompson Wright
Chartered Accountants
and Registered Auditors
Ebenezer House
Ryecroft
Newcastle under Lyme
Staffordshire
ST5 2BE

Apollo Scientific Limited

Report of the Directors for the Year Ended 31 August 2004

The directors present their report with the accounts of the company for the year ended 31 August 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of supply of chemicals and other related products.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

DIVIDENDS

A final dividend is now proposed of £450,000.

DIRECTORS

The directors during the year under review were:

A Hilgart Esq
P Whitehead Esq
P Walker Esq
M Tanuma

The beneficial interests of the directors holding office on 31 August 2004 in the issued share capital of the company were as follows:

	31.8.04	1.9.03
Ordinary £1 shares		
A Hilgart Esq	22	22
P Whitehead Esq	22	22
P Walker Esq	22	22
M Tanuma	-	-

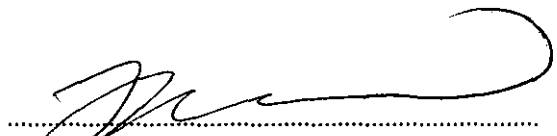
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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. They 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.

ON BEHALF OF THE BOARD:


.....
Miss J A Holland - Secretary

Apollo Scientific Limited

**Report of the Directors
for the Year Ended 31 August 2004**

Date:11/4/2005.....

**Report of the Independent Auditors to
Apollo Scientific Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages five to eighteen, together with the full financial statements of the company for the year ended 31 August 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to eighteen are properly prepared in accordance with that provision.



Thompson Wright
Chartered Accountants
and Registered Auditors
Ebenezer House
Ryecroft
Newcastle under Lyme
Staffordshire
ST5 2BE

Date: 12/4/05

Apollo Scientific Limited

**Abbreviated Profit and Loss Account
for the Year Ended 31 August 2004**

		31.8.04		31.8.03	
	Notes	£	£	£	£
GROSS PROFIT			2,432,215		2,108,281
Administrative expenses			1,237,122		1,163,524
OPERATING PROFIT	3		1,195,093		944,757
Income from investments		-		46,827	
Interest receivable and similar income		6,110		5,292	
			6,110		52,119
			1,201,203		996,876
Interest payable and similar charges	4		2,588		1,691
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,198,615		995,185
Tax on profit on ordinary activities	5		361,991		278,288
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			836,624		716,897
Dividends	6		450,000		450,000
			386,624		266,897
Retained profit brought forward			1,057,598		790,701
RETAINED PROFIT CARRIED FORWARD			<u>£1,444,222</u>		<u>£1,057,598</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 profits for the current and previous years.

The notes form part of these abbreviated accounts

Apollo Scientific Limited

**Abbreviated Balance Sheet
31 August 2004**

		31.8.04		31.8.03	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		134,784		135,724
Investments	8		2		252
			<u>134,786</u>		<u>135,976</u>
CURRENT ASSETS:					
Stocks	9	1,146,974		991,735	
Debtors	10	1,215,465		1,369,559	
Cash at bank and in hand		743,889		603,586	
		<u>3,106,328</u>		<u>2,964,880</u>	
CREDITORS: Amounts falling due within one year	11	1,783,336		2,028,567	
NET CURRENT ASSETS:			<u>1,322,992</u>		<u>936,313</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>1,457,778</u>		<u>1,072,289</u>
CREDITORS: Amounts falling due after more than one year	12		-		(780)
PROVISIONS FOR LIABILITIES AND CHARGES:	15		(13,457)		(13,812)
			<u>£1,444,321</u>		<u>£1,057,697</u>

The notes form part of these abbreviated accounts

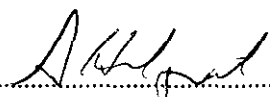
Apollo Scientific Limited


**Abbreviated Balance Sheet
31 August 2004**

	Notes	31.8.04		31.8.03	
		£	£	£	£
CAPITAL AND RESERVES:					
Called up share capital	16		99		99
Profit and loss account			1,444,222		1,057,598
SHAREHOLDERS' FUNDS:	18		<u>£1,444,321</u>		<u>£1,057,697</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:


.....
A Hilgart Esq - Director


.....
P Whitehead Esq - Director

Approved by the Board on 12/04/2005

The notes form part of these abbreviated accounts

Apollo Scientific Limited

**Cash Flow Statement
for the Year Ended 31 August 2004**

		31.8.04		31.8.03	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		658,889		872,460
Returns on investments and servicing of finance	2		3,522		50,428
Taxation			(277,097)		(247,310)
Capital expenditure and financial investment	2		(23,646)		(51,097)
Equity dividends paid			(225,000)		(225,000)
			<u>136,668</u>		<u>399,481</u>
Financing	2		(1,336)		(1,577)
Increase in cash in the period			<u><u>£135,332</u></u>		<u><u>£397,904</u></u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period			135,332		397,904
Cash outflow from decrease in debt and lease financing			<u>1,337</u>		<u>1,336</u>
Change in net funds resulting from cash flows			<u>136,669</u>		<u>399,240</u>
Movement in net funds in the period			<u>136,669</u>		<u>399,240</u>
Net funds at 1 September			<u>601,469</u>		<u>202,229</u>
Net funds at 31 August			<u><u>£738,138</u></u>		<u><u>£601,469</u></u>

The notes form part of these abbreviated accounts

Apollo Scientific Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2004**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.8.04 £	31.8.03 £
Operating profit	1,195,093	944,757
Depreciation charges	22,673	22,352
Loss on sale of fixed assets	1,912	7,433
Loss on Fixed Asset Investment	250	-
Increase in stocks	(155,239)	(408,035)
Decrease/(Increase) in debtors	154,094	(339,141)
(Decrease)/Increase in creditors	(559,894)	645,094
Net cash inflow from operating activities	658,889	872,460

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.8.04 £	31.8.03 £
Returns on investments and servicing of finance		
Interest received	6,110	5,292
Interest paid	(2,453)	(90)
Interest element of hire purchase or finance lease rentals payments	(135)	(1,601)
Dividends received	-	46,827
Net cash inflow for returns on investments and servicing of finance	3,522	50,428
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(25,558)	(169,587)
Cash Payments - Investmt Purch	-	(60)
Sale of tangible fixed assets	1,912	118,550
Net cash outflow for capital expenditure	(23,646)	(51,097)
Financing		
Hire purchase repayments	(1,336)	(1,336)
Amount Withdrawn by Directors	-	(241)
Net cash outflow from financing	(1,336)	(1,577)

The notes form part of these abbreviated accounts

Apollo Scientific Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2004**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.03 £	Cash flow £	At 31.8.04 £
Net cash:			
Cash at bank and in hand	603,586	140,303	743,889
Bank overdraft	-	(4,971)	(4,971)
	<u>603,586</u>	<u>135,332</u>	<u>738,918</u>
Debt:			
Hire purchase or finance leases	(2,117)	1,337	(780)
	<u>(2,117)</u>	<u>1,337</u>	<u>(780)</u>
Total	<u>601,469</u>	<u>136,669</u>	<u>738,138</u>
Analysed in Balance Sheet			
Cash at bank and in hand	603,586		743,889
Bank overdraft	-		(4,971)
Hire purchase or finance leases			
within one year	(1,337)		(780)
after one year	(780)		-
	<u>601,469</u>		<u>738,138</u>

The notes form part of these abbreviated accounts

Apollo Scientific Limited

Notes to the Abbreviated Accounts for the Year Ended 31 August 2004

1. ACCOUNTING POLICIES

Accounting convention

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

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.

Leasehold property	- see below
Plant and Machinery	- 20% on reducing balance
Fixtures, Fittings & Office Equipment	- 15% on reducing balance
Motor Vehicles	- 25% on reducing balance
Computer Equipment	- 15% on reducing balance

The Leasehold Property is depreciated over 20 years on a straight line basis being the period of the lease.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

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

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Apollo Scientific Limited

Notes to the Abbreviated Accounts for the Year Ended 31 August 2004

1. ACCOUNTING POLICIES - continued

Consolidation

The company and its subsidiary comprise a medium sized group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2. STAFF COSTS

	31.8.04	31.8.03
	£	£
Wages and salaries	696,685	701,928
Social security costs	73,686	71,476
Other pension costs	38,681	40,011
	<u>809,052</u>	<u>813,415</u>

The average monthly number of employees during the year was as follows:

	31.8.04	31.8.03
Management/Clerical	16	13
Laboratory/Warehouse	11	11
	<u>27</u>	<u>24</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.8.04	31.8.03
	£	£
Hire of plant and machinery	2,160	1,068
Depreciation - owned assets	21,547	20,850
Depreciation - assets on hire purchase contracts or finance leases	1,126	1,502
Loss on disposal of fixed assets	1,912	7,433
Auditors' remuneration	7,500	7,500
	<u>251,716</u>	<u>277,024</u>
Directors' emoluments	30,000	30,000
Directors' pension contributions to money purchase schemes		

The number of directors to whom retirement benefits were accruing was as follows:

	3	3
Money purchase schemes	<u>3</u>	<u>3</u>

Apollo Scientific Limited

Notes to the Abbreviated Accounts for the Year Ended 31 August 2004

Information regarding the highest paid director is as follows:

	31.8.04	31.8.03
	£	£
Emoluments etc	84,160	92,539
Pension contributions to money purchase schemes	10,000	10,000
	<u> </u>	<u> </u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.8.04	31.8.03
	£	£
Loan Interest	2,453	17
Interest on Tax	-	73
Hire Purchase Interest	135	1,601
	<u> </u>	<u> </u>
	2,588	1,691
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge

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

	31.8.04	31.8.03
	£	£
Current tax:		
UK corporation tax	360,746	275,497
Under Provision Earlier Years	1,600	-
	<u> </u>	<u> </u>
Total current tax	362,346	275,497
Deferred Taxation	(355)	2,791
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	361,991	278,288
	<u> </u>	<u> </u>

6. DIVIDENDS

	31.8.04	31.8.03
	£	£
Equity shares:		
Interim Dividends	-	225,000
Proposed Final Dividend	450,000	225,000
	<u> </u>	<u> </u>
	450,000	450,000
	<u> </u>	<u> </u>

Apollo Scientific Limited

**Notes to the Abbreviated Accounts
for the Year Ended 31 August 2004**

7. TANGIBLE FIXED ASSETS

	Leasehold property	Plant and Machinery	Fixtures, Fittings & Office Equipment
	£	£	£
COST:			
At 1 September 2003	38,986	43,950	59,481
Additions	-	4,957	8,012
Disposals	-	-	(513)
At 31 August 2004	38,986	48,907	66,980
DEPRECIATION:			
At 1 September 2003	3,052	21,864	22,642
Charge for year	1,949	5,409	6,574
At 31 August 2004	5,001	27,273	29,216
NET BOOK VALUE:			
At 31 August 2004	33,985	21,634	37,764
At 31 August 2003	35,934	22,086	36,839

	Motor Vehicles	Computer Equipment	Totals
	£	£	£
COST:			
At 1 September 2003	15,860	52,642	210,919
Additions	7,697	4,892	25,558
Disposals	(7,850)	-	(8,363)
At 31 August 2004	15,707	57,534	228,114
DEPRECIATION:			
At 1 September 2003	8,044	19,594	75,196
Charge for year	3,050	5,691	22,673
Eliminated on disposals	(4,539)	-	(4,539)
At 31 August 2004	6,555	25,285	93,330
NET BOOK VALUE:			
At 31 August 2004	9,152	32,249	134,784
At 31 August 2003	7,817	33,048	135,724

Apollo Scientific Limited

**Notes to the Abbreviated Accounts
for the Year Ended 31 August 2004**

7. TANGIBLE FIXED ASSETS - continued

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

	<u>Motor Vehicles</u>
	£
COST:	
At 1 September 2003	
and 31 August 2004	8,010
DEPRECIATION:	
At 1 September 2003	3,505
Charge for year	1,126
	<u>4,631</u>
At 31 August 2004	
NET BOOK VALUE:	
At 31 August 2004	3,379
	<u><u>4,505</u></u>
At 31 August 2003	<u><u>4,505</u></u>

8. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 September 2003	252
Disposals	(250)
	<u>2</u>
At 31 August 2004	
NET BOOK VALUE:	
At 31 August 2004	2
	<u><u>252</u></u>
At 31 August 2003	<u><u>252</u></u>
	31.8.04
	£
Unlisted investments	2
	<u><u>252</u></u>

Apollo Scientific Limited

Notes to the Abbreviated Accounts for the Year Ended 31 August 2004

8. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Goldfinch Laboratories Limited

Nature of business: Manufacture of Inorganic Basic Chemicals.

Class of shares:	% holding
Ordinary	100.00

	31.8.04	31.8.03
	£	£
Aggregate capital and reserves	2	2
	=	=

The company also held a participating interest of 25% of the share capital of Sinobrom Limited (£250). However, a resolution for this company to be wound up was made on 10th March 2004. This investment has therefore been written off.

9. STOCKS

	31.8.04	31.8.03
	£	£
Stock	1,146,974	991,735
	=	=

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.04	31.8.03
	£	£
Trade Debtors	1,091,594	1,304,621
Other Debtors	67,548	23,485
Prepayments	56,323	22,789
Amounts owed by undertaking in which the company has a participating interest	-	18,664
	=	=
	1,215,465	1,369,559
	=	=

Apollo Scientific Limited

**Notes to the Abbreviated Accounts
for the Year Ended 31 August 2004**

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

	31.8.04	31.8.03
	£	£
Bank loans and overdrafts (see note 13)	4,971	-
Trade Creditors	906,759	1,368,382
Hire Purchase	780	1,337
Other Creditors	158	75,168
Dividend proposed	450,000	225,000
Social Security & Other Taxes	28,885	21,640
Taxation	360,746	275,497
Accrued Expenses	31,037	61,543
	<u>1,783,336</u>	<u>2,028,567</u>

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

	31.8.04	31.8.03
	£	£
Hire Purchase	-	780
	<u>-</u>	<u>780</u>

13. LOANS AND OVERDRAFTS

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

	31.8.04	31.8.03
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>4,971</u>	<u>-</u>

14. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

	31.8.04	31.8.03
	£	£
Expiring:		
In more than five years	<u>41,000</u>	<u>41,000</u>

15. PROVISIONS FOR LIABILITIES AND CHARGES

	31.8.04	31.8.03
	£	£
Deferred Taxation	<u>13,457</u>	<u>13,812</u>

Apollo Scientific Limited

**Notes to the Abbreviated Accounts
for the Year Ended 31 August 2004**

15. PROVISIONS FOR LIABILITIES AND CHARGES - continued

	Deferred tax £
Balance at 1 September 2003	13,812
Timing Differences	(355)
	<hr/>
Balance at 31 August 2004	13,457
	<hr/>

16. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.8.04 £	31.8.03 £
100	Ordinary	£1	100	100
			<hr/>	<hr/>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.8.04 £	31.8.03 £
99	Ordinary	£1	99	99
			<hr/>	<hr/>

17. PENSION COMMITMENTS

The company operates defined contribution pension schemes for staff and directors. The assets of the schemes are held separately from those of the company.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.8.04 £	31.8.03 £
Profit for the financial year	836,624	716,897
Dividends	(450,000)	(450,000)
	<hr/>	<hr/>
Net addition to shareholders' funds	386,624	266,897
Opening shareholders' funds	1,057,697	790,800
	<hr/>	<hr/>
Closing shareholders' funds	1,444,321	1,057,697
	<hr/>	<hr/>
Equity interests	1,444,321	1,057,697
	<hr/>	<hr/>