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Company Number: 3640846

Phytofit Limited
Financial Statements
for the period ended 30th September 1999



Chairman

Mr D Ouvry

Registered Office

36 Longfield Drive
Amersham
Bucks
HP6 5HE

Director

Mr D Ouvry

Secretary

Mrs P Ouvry

Reporting Accountants

Wilkins Kennedy
Risborough House
38/40 Sycamore Road
Amersham
Bucks
HP6 5DZ

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The director submits his report together with the unaudited financial statements for the period ended 30th September 1999.

The company was incorporated on 30th September 1998 and commenced to trade from 1st October 1998.

Director's Statement

Company law requires the director 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 loss for that period. In preparing those financial statements the director is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and to enable him to ensure the financial statements comply with the Companies Act 1985. He is 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.

Principal Activity

The principal activity of the company is that of marketing of herbal products.

Director's Interest

The director who served during the period and his beneficial interest in the share capital of the company was as follows:

	Ordinary Shares of £1 Each
	1999
	No.
Mr D Ouvry	25

Tax Status

The company is a close company as defined by S414 of the Income and Corporation Taxes Act 1988.

Going Concern

At the balance sheet date the company had net liabilities, in these circumstances continuation of the company's activities is dependant upon the support of the director and other creditors. The accounts have been drawn up on a going concern basis which assumes that this support will continue.

Reporting Accountants

The Reporting Accountants, Wilkins Kennedy Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

Exemption Statement

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

By Order of the Board:



Mrs P Ouvry, Secretary

19th July 2000

Accountants' Report to the Director
on the Unaudited Accounts of Phytofit Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the period ended 30th September 1999 set out on pages 4 to 8, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records, information and explanations supplied to us.

Wilkins Kennedy

Wilkins Kennedy
Chartered Accountants

19th July 2000

Risborough House
38/40 Sycamore Road
Amersham
Bucks
HP6 5DZ

Profit and Loss Account

for the period ended 30th September 1999

	Notes	1999 £
Cost of sales		(743)
Administrative expenses		(11,820)
Other operating income	3	<u>8,000</u>
Loss on ordinary activities before Taxation		<u><u>(4,563)</u></u>

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial period, and all profits or losses have been accounted for on an historical cost basis.

Balance Sheet

as at 30th September 1999

	Notes	1999 £	1999 £
Fixed Assets			
Intangible Fixed Assets	4		3,567
Current Assets			
Stock	5	3,000	
		<u>3,000</u>	
Creditors:			
Amounts falling due within one year	6	(11,105)	
Net Current (Liabilities)			<u>(8,105)</u>
			<u>(4,538)</u>
Capital and Reserves			
Called up share capital	7		25
Profit and loss account			<u>(4,563)</u>
Equity Shareholders' Funds	8		<u>(4,538)</u>

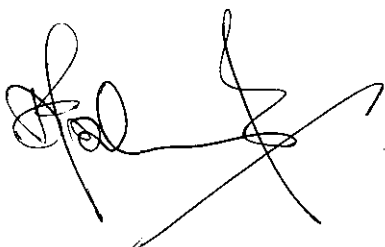
In the director's opinion the company was entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the period ended 30th September 1999. No notice from members requiring an audit has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its accounts for the financial period.

The director acknowledges his responsibilities for: ensuring that the company keeps accounting records which comply with Section 221; and for preparing accounts which give a true and fair view of the state of the affairs of the company as at 30th September 1999 and of its loss for the period then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

These accounts were approved by the director on 19th July 2000.

Mr D Ouvry



Director

Notes to the Financial Statements

for the period ended 30th September 1999

1 Principal Accounting Policies*Accounting Convention*

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Amortisation

Licenses and patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives of 18 years.

Cash Flow Statement

In the opinion of the director the company qualifies as a small company and accordingly a cash flow statement is not required.

Government Grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the Profit and Loss Account by equal annual instalments over the expected useful lives of the relevant assets.

Government grants or assistance of a revenue nature are credited to the profit and loss account in the same period as the related expenditure.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods does not include production overheads and depreciation. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

2 Operating Loss

The operating loss is stated after charging or crediting:

	1999
	£
Depreciation - owned assets	210
	<u>210</u>

Notes to the Financial Statements

for the period ended 30th September 1999

3	Other Operating Income	1999
		£
	Revenue grants receivable	8,000
		<hr/>
4	Intangible Fixed Assets	
		Other
		Intangible
		Assets
		£
	Cost	
	Additions	3,777
	At 30th September 1999	3,777
		<hr/>
	Amortisation	
	Charge for the period	210
	At 30th September 1999	210
		<hr/>
	Net Book Value	
	At 30th September 1999	3,567
		<hr/>
5	Stocks	1999
		£
	Stocks	3,000
		<hr/>
6	Creditors: Amounts falling due within one year	1999
		£
	Bank loans and overdrafts	6
	Other creditors	11,099
		<hr/>
		11,105
		<hr/>
7	Share Capital	
	Authorised	1999
		£
	100 Ordinary Shares of £1 Each	100
		<hr/>
	Allotted and fully paid	1999
		£
	25 Ordinary Shares of £1 Each	25
		<hr/>

Notes to the Financial Statements

for the period ended 30th September 1999

Movements during the period

	Ordinary Shares of £1 Each
Issues during the period	25
At 30th September 1999	<u>25</u>

8 Reconciliation of the Movement in Shareholders' Funds

	1999 £
Loss for the financial period	(4,563)
New share capital subscribed	25
Closing shareholders' funds	<u>(4,538)</u>

9 Related Party Transactions

Details of related party transactions occurring during the period are as follows:

Name of related party	Nature of Relationship	Transaction Details	Amount £	Balance 1999 £	Amount written off £
D Ouvry	Director/ Shareholder	Movement on loan	(3,144)	(3,144)	-

Ultimate controlling party

The company was throughout the period controlled by Mr D Ouvry a director and shareholder of the company.