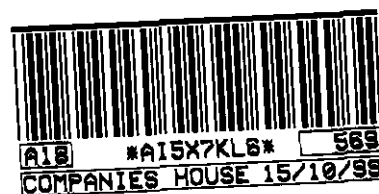


**CZECH, MORAVIAN AND SLOVAK  
CHEMICALS LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31ST DECEMBER 1998**

Registered number: 2759529



**CZECH MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 1998**

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**CZECH MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**COMPANY INFORMATION  
AS AT 31ST DECEMBER 1998**

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**DIRECTORS**

A P Robson  
J Bryce  
Dr M J Peagram (appointed 14/7/98)  
L J Russell  
V M Eastwick - Field

**SECRETARY**

G H Walker (resigned 22/10/98)  
S C Burns (appointed 22/10/98)

**REGISTERED OFFICE**

The Quorum  
Oxford Business Park  
OXFORD  
OX4 2SZ

**REGISTERED NUMBER**

2759529

**AUDITORS**

Miell and Company  
Cranbrook House  
287-291 Banbury Road  
Oxford  
OX2 7JQ

## **CZECH MORAVIAN AND SLOVAK CHEMICALS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 1998**

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31st December 1998.

#### **Principal activities and business review**

The principal activities of the company continue to be to act as agents and distributors of chemical products manufactured in the former republic of Czechoslovakia.

CMS Holdings (of which CMS Limited is the principal operating company) was bought out from Yule Catto Plc in May 1998. 1998 was not a satisfactory trading year, showing a slight fall from the previous year in sales and gross margin. This was due to the loss of a few pieces of business and the delay in new projects coming on stream.

Since the change of ownership, priorities have been clearly established, systems improved, and further funding provided. Results have improved steadily and we are confident of a return to profitability in 1999. We have commercial projects in progress which should give substantial longer term growth.

Steady progress has been made in the Czech and Slovakian selling companies, and these are profitable. Q-Chem which makes laboratory and pilot scale chemicals in Slovakia, has expanded strongly, including contracts with major companies. It was not profitable in 1998, but now has a large order book and should be a useful profit contributor in 1999, and an important part of our marketing offering.

These are all related companies and therefore not consolidated here, although they benefit from our management support.

#### **Results and dividends**

The loss before taxation for the year was £210929 (1997 – Profit £17599).

The directors do not recommend a final dividend for the year ended 31st December 1998.

#### **Directors and their interests**

The directors who served during the year and their beneficial interests in the company at the balance sheet date were as follows:

	Number of £1 Ordinary Shares	
	1998	1997
Dr M J Peagram	100,100	100
L J Russell	-	-
J Bryce	-	-
A P Robson	-	-
V Eastwick-Field	-	-

## **CZECH MORAVIAN AND SLOVAK CHEMICALS LIMITED**

### **DIRECTORS' REPORT - Continued**

#### **Directors' responsibilities**

Company law requires the directors to prepare accounts 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 accounts, the directors are 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 accounts; and
- prepare the accounts 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 accounts 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.

#### **Policy on payment of Creditors**

It is the company's policy to make suppliers aware of payment terms at the time of each transaction and to make these terms known to staff who deal with payments to suppliers. At 31<sup>st</sup> December 1998 creditor days stood at 68 days.

#### **Year 2000**

The directors have assessed the risks to the company resulting from the change of date to 2000. These are primarily in the areas of internal computer systems and customer and supplier relationships. The company's internal computerised systems have been examined by the support company and found to be compliant. The directors are aware of the associated risks for non-compliance of suppliers and customers and will make enquiries in the near future. Although it is impossible to guarantee that no year 2000 problems remain, the directors are confident that they will be able to deal promptly with any failures that will occur. The directors consider the cost of dealing with problems arising from the year 2000 will not significantly increase ongoing expenditure.

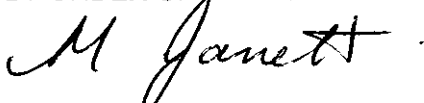
#### **The Euro**

The directors have assessed the risks to the company for the introduction of the Euro in E.U. countries on 1st January 1999. There will be no material expenditure required to update systems in this respect.

#### **Auditors**

The auditors, Miell and Company, will be proposed for re-appointment in accordance with S.385 of the Companies Act 1985.

BY ORDER OF THE BOARD



SECRETARY

## **CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

### **AUDITORS REPORT TO THE MEMBERS OF CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

We have audited the accounts on pages 5 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

#### **Respective responsibilities of directors and auditors**

As described on page 2, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the accounts.

#### **Fundamental uncertainty**

In forming our opinion, we have considered the adequacy of disclosures made in the financial statements concerning the going concern basis for the preparation of these statements. The company has net liabilities of £122045 at 31st December 1998 and no longer belongs to a group of companies. The company is therefore reliant on the continued support of the directors, and creditors including the bank. It is not possible to quantify the effect on the loss for the year or the balance values that restating the accounts on a basis other than going concern would have.

#### **Opinion**

In our opinion the accounts give a true and fair view of the company's state of affairs at 31st December 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Miell and Company  
REGISTERED AUDITORS

Cranbrook House  
287/291 Banbury Road  
Oxford  
OX2 7JQ

14<sup>th</sup> October 1999

**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 1998**

	<b>Note</b>	<b>1998 £</b>	<b>1997 £</b>
Turnover	2	4,008,247	4,241,988
Cost of sales		3,515,310	(3,721,202)
Gross profit		492,937	520,786
Other operating expenses	3	665,517	(453,291)
Operating (loss)/profit		(172,580)	67,495
Net interest payable	4	(38,349)	(49,896)
(Loss)/profit on ordinary activities before taxation	5	(210,929)	17,599
Tax (credit)/charge on (loss)/profit on ordinary activities	8	(8,247)	(5141)
(Loss)/profit for the financial year		(202,682)	12,458
Retained (loss)/profit at the beginning of year		(54,453)	(66,911)
Retained loss at the end of year		(257,135)	(54,453)
		=====	=====

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

**Total recognised gains and losses**

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

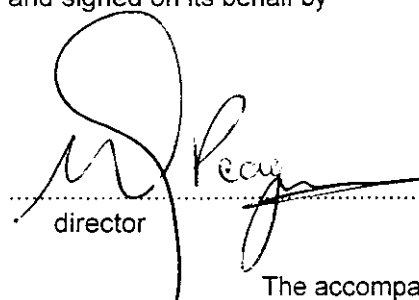
**BALANCE SHEET  
AS AT 31ST DECEMBER 1998**

	Note	1998 £	1997 £
<hr/>			
Fixed assets			
Tangible assets	9	59,470 =====	59,838 =====
Current assets			
Stocks	10	8,427	249,214
Debtors	11	999,279	707,983
Cash at bank and in hand		98,704	219,871
		-----	-----
		1,106,410	1,177,068
Creditors: Amounts falling due within one year	12	(1,287,925)	(1,256,269)
		-----	-----
Net current liabilities		(181,515) =====	(79,201) =====
Net liabilities		(122,045) =====	(19,363) =====
Capital and reserves			
Called up share capital	14	100,100	100
Share premium account		34,990	34,990
Profit and loss account		(257,135)	(54,453)
		-----	-----
Equity shareholders' funds	15	(122,045) =====	(19,363) =====

The financial statements were approved by the board of directors on:

6<sup>th</sup> August 1999

and signed on its behalf by

  
.....  
director

.....  
director

The accompanying notes are an integral part of this balance sheet.



**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 1998**

	Notes	1998 £	1997 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	3	155,310	42,090
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest paid		(38,349)	(49,896)
<b>CAPITAL EXPENDITURE (Note A)</b>		(21,091)	(19,551)
Taxation		(8,092)	2,662
		<u>87,778</u>	<u>(24,695)</u>
<b>FINANCING (Note A)</b>		(208,945)	240,421
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<u>(121,167)</u>	<u>215,726</u>
<b>RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET DEBT</b>			
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		(121,167)	215,726
Movements in cash repaying bank borrowings		308,945	(240,421)
Change in net debt		187,778	(24,695)
Net debt at 1.1'98		(454,201)	(429,506)
<b>NET DEBT AT 31.12.98 (Note B)</b>		<u>(266,423)</u>	<u>(454,201)</u>

The notes on pages 9 to 15 form part of these financial statements.

**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**NOTES TO THE CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 1998**

	1998 £	1997 £
--	-----------	-----------

**NOTE A - GROSS CASH FLOWS**

**CAPITAL EXPENDITURE**

Payments to acquire tangible fixed assets	21,091	19,573
Receipts from the sale of tangible fixed assets	-	(22)
	-----	-----
	21,091	19,551
	=====	=====

**FINANCING**

Amounts borrowed	-	240,421
Repayment of amounts borrowed	(308,945)	-
Issue of share capital	100,000	-
	-----	-----
	(208,945)	240,421
	=====	=====

**NOTE B - ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.98 £	Cashflows £	At 31.12.98 £
Cash in hand and at bank	219,871	(121,167)	98,704
Debt due within one year	(674,072)	308,945	(365,127)
	-----	-----	-----
	(454,201)	187,778	(266,423)
	=====	=====	=====

The notes on pages 9 to 15 form part of these financial statements.

## CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

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#### 1. Accounting policies

The principal accounting policies all of which have been applied consistently throughout the year and the preceding year, are as follows:

##### **Basis of accounting**

The accounts are prepared under the historical cost convention and have been prepared in accordance with applicable accounting standards.

##### **Going concern**

The financial statements have been prepared on a going concern basis, the validity of which depends on the continued support of the directors and the bank. If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of the assets to their recoverable amounts to provide for further liabilities which may arise and reclassify fixed assets as current assets.

##### **Turnover**

Turnover comprises the value of sales (excluding VAT) foreign agents' commissions, trade discounts and freight) of goods and services in the normal course of business.

##### **Foreign currency**

Transactions denominated in foreign currencies are recorded in pounds sterling at actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

##### **Taxation**

Corporation tax is provided on taxable profits at the current rate.

Deferred taxation has been calculated on the liability method, and is provided to the extent that the directors believe it is likely to become payable in the foreseeable future. Deferred tax is not provided on timing differences which, in the opinion of the directors, will probably not reverse.

##### **Pension**

During the year the company contributed to pension schemes set up by the former group. These are both defined benefit and defined contribution scheme and covers certain employees. The scheme funds are administered by trustees and are independent of the company's finances. Contributions made during the year have been charges against profit.

**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued**

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**Accounting policies (continued)**

**Tangible fixed assets**

Tangible fixed assets are stated at original cost.

Depreciation is provided at rates calculated to write off the cost, less estimates residual value, of each asset on a straight line basis over its estimated useful life at the following annual rates:

Fixtures and fittings	15 to 25%
-----------------------	-----------

**Stocks**

Stocks are stated at the lower of cost and net realisable value.

Cost represents expenses incurred in bringing each product to its present location and condition.

Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

**Leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**2 Segment information**

The geographical analysis of turnover by destination is as follows:

	1998	1997
	£	£
United Kingdom	1,464,160	1,453,794
Rest of Europe	1,756,110	2,148,217
Middle East and Asia	27,651	45,993
North America	760,326	593,984
	-----	-----
	4,008,247	4,241,988
	=====	=====

**3 (a) Other operating expenses**

	1998	1997
	£	£
Selling and marketing costs	247,062	206,274
Administration expenses	319,213	247,017
Exceptional items	99,242	-
	-----	-----
	665,517	453,291
	=====	=====

**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued**

<b>3</b>	<b>(b) Reconciliation of operating profit to net cash inflow from operating activities:</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Operating profit	(172,580)	67,495
	Depreciation	21,459	14,818
	Loss on disposal of fixed assets	-	22
	Debtors movement	(283,049)	147,270
	Creditors movement	348,693	(71,617)
	Stock movement	240,787	(115,898)
		-----	-----
	NET CASH INFLOW FROM OPERATING ACTIVITIES	155,310	42,090
		=====	=====
<b>4</b>	<b>Net interest (payable)/receivable</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts - payable	(45,800)	(59,393)
	receivable	2,231	9,497
	Trade interest	5,220	-
		-----	-----
		(38,349)	(49,896)
		=====	=====
<b>5.</b>	<b>(Loss)/profit on ordinary activities before taxation</b>		
	Profit/(Loss) on ordinary activities before taxation is stated after charging:		
		<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Depreciation of tangible fixed assets	21,459	14,818
	Directors emoluments	123,200	110,000
	Auditors' remuneration - audit fees	6,350	8,400
	Exceptional item - other	-	-
	- loan written off	99,242	-
		=====	=====
<b>6</b>	<b>Directors' emoluments</b>		
	The remuneration of the directors was as follows:		
		<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Remuneration	123,200	110,000
		=====	=====

The company did not make any pension contributions on behalf of the directors in either year.

**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued**

**6 Directors' emoluments - continued**

	1998 £	1997 £
<b>Staff Costs</b>		
Wages and salaries	203,144	172,066
Social security costs	18,398	15,840
Pension contributions	4,658	3,178
	-----	-----
	226,200	191,084
	=====	=====

The average monthly number of persons employed by the company during the year was as follows:-

	Number	Number
Sales and distribution	3	3
Administration	4	4
	-----	-----
	7	7
	=====	=====

**7 Pension contributions**

Pension contributions of £4657 were made in respect of employees, who are not directors, in accordance with the group scheme of Holliday Chemical Holdings Plc, under both defined benefit and defined contribution schemes. These payments have been made under transitional arrangements until such time that a company pension scheme has been set up.

**8 Tax (charge)/credit on (loss)/profit on ordinary activities**

The tax (charge)/credit comprises:

	1998 £	1997 £
<b>Current year:</b>		
Corporation tax at 21% (1996 – 31.5%)	(8,247)	8,092
<b>Adjustment in respect of prior periods:</b>		
Corporation tax	-	(2,951)
	-----	-----
	(8,247)	5,141
	=====	=====

**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued**

---

**9. Tangible fixed assets**

The movement in the year was as follows:

	Fixtures and Fittings being total £
<i>Cost:</i>	
As at 1st January 1998	89,509
Additions	21,091
	-----
As at 31st December 1998	110,600
	=====
<i>Depreciation:</i>	
As at 1st January 1998	29,671
Provided in the year	21,459
	-----
As at 31st December 1998	51,130
	=====
<i>Net book values:</i>	
As at 31st December 1998	59,470
	=====
As at 1st January 1998	59,838
	=====

**10 Stocks**

	1998 £	1997 £
Finished goods and goods for resale	8,427	249,214
	=====	=====

# CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued

### 11 Debtors

	1998	1997
	£	£
Amounts falling due within one year:		
Trade debtors	916,437	427,314
Amounts owed by other group undertakings	-	141,759
VAT	-	16,956
Other debtors	63,442	101,011
Prepayments	19,400	20,943
	<u>999,279</u>	<u>707,983</u>
	=====	=====

Included within other debtors is £NIL (1997 - £97,255) owed by Bohemian Arts Glass Limited, a company in which certain directors of Czech, Moravian and Slovak Chemicals Limited have a controlling interest. This debt has been written off during the year as disclosed in note 5 as an exceptional item.

### 12 Creditors: Amounts falling due within one year

	1998	1997
	£	£
Bank loans and overdrafts	365,127	674,072
Trade creditors	691,996	460,559
Amounts owed to other group undertakings	-	56,727
Other creditors: Loan account (Note 18)	180,000	-
UK corporation tax payable	-	8,092
Social security and PAYE	6,013	5,530
Other creditors	2,114	23,639
Accruals and deferred income	42,675	27,650
	<u>1,287,925</u>	<u>1,256,269</u>
	=====	=====

The bank overdraft is secured by way of a specific equitable charge over any freehold and leasehold properties, and fixed and floating charges over the company's assets, including goodwill, book debts and any benefits of licences made on 23rd November 1998.



**CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued**

**13 Provision for liabilities and charges**

No deferred taxation has been provided because of the availability of trading losses to offset any potential liability.

The amounts of unprovided deferred taxation are as follows:

	1998 £	1997 £
Excess of tax allowances over book depreciation of fixed assets	2,644	2,421
Other timing differences	-	(2,820)
Losses	(15126)	-
	----- (12482) =====	----- (399) =====

**14 Share capital**

	1998 £	1997 £
Authorised 1,000,000 ordinary shares of £1 each	1,000,000 =====	1,000,000 =====
Allotted, called up and fully paid equity shares: 100,100 ordinary shares of £1 each	100,100 =====	100 =====

100,000 ordinary shares of £1 each were issued at par on 1st November 1998.

**15 Reconciliation of movement in equity shareholders' funds**

	1998 £	1997 £
(Loss)/profit for the financial year being net increase/(reduction) in shareholders' funds	(202,682)	12,458
Issue of share capital (Note 14)	100,000	-
Opening equity shareholders' funds	(19,363)	(31,821)
Closing equity shareholders' funds	----- (122,045) =====	----- (19,363) =====

# CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued

### 16 Financial commitments

#### Lease commitments

Annual commitments under non-cancellable operating leases on land and buildings which expire after five years from the balance sheet date amount to £25,408(1997 - £22,867). The profit and loss account charge for rentals under operating leases was £ 25,408 (1997 - £22,867).

### 17 Going concern

From 27th January 1998 the company was part of a group whose ultimate parent company was Yule Catto & Co Plc. The company was then purchased privately by CMS Holdings in July 1998. As the company no longer had support from other group members, on 28th October 1998 a share issue was made to Dr M J Peagram, director, of 100,000 shares at par (£1) each, and a loan made from the Bletchington Park Pension Fund of £180,000, Dr M J Peagram being the sole beneficiary. The company is dependent on the ongoing support of the director.

### 18 Related party transactions

During the year a debt of £97,225 owed by Bohemian Arts Glass Limited was written off. The company is controlled by A P Roberts, J Bryce and V M Eastwick-Field, directors of Czech, Moravian and Slovak Chemicals Limited.

During the year a loan of £180,000 was received from Bletchington Park Pension Fund, and the director, Dr M J Peagram is the sole beneficiary of the fund. The loan is repayable on demand, and interest is payable quarterly in arrears at rate of 1% over base.

In the year ended 31st December 1998 the company has traded, on an arms length basis, with the following companies, associated through mutual directors:

	Director	Purchase Ledger balance £	Total purchases in year £	Sales ledger balance £	Total sales in year £
Holliday Chemical Holdings Limited	Dr M J Peagram	235	235	-	3,895
Holliday Dispensions SA	Dr M J Peagram	-	-	2,301	2,301
Holliday France SA	Dr M J Peagram	-	3,414	566	33,921
Holliday Pigments SA	Dr M J Peagram	714	131	-	-
Revetex (Maylasia) ) SDM Berhad )	Dr M J Peagram	16,925	16,925	-	-
Revetex (Maylasia) ) SDM )	Dr M J Peagram	9,085	9,085	-	-
James Robinson SA	Dr M J Peagram	12,638	68,923	105,174	555,213
Valentia Air Limited	Dr M J Peagram	4,477	4,477	-	-

# CZECH, MORAVIAN AND SLOVAK CHEMICALS LIMITED

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1998 - continued

### 18 Related party transactions - continued

Included in other trade debtors and trade creditors, are amounts owing due to respectively, to companies previously associated as group undertakings:

	Other Debtors £	Trade Debtors £	Trade Creditors £
HCH Slovakia		5,956	4,362
CMS Chemie		55,958	15,368
CMS Slovakia		405	17,355
Q-Chem		113,311	28,959
CMS Holdings Limited	55,195	-	3,236
	-----	-----	-----
	55,195	175,630	69,280
	=====	=====	=====

### 19. Ultimate controlling party

The director Dr M J Peagram is the ultimate controlling party.

### 20. Post balance sheet events

Since the year end £60,000 of the amount owing from Q-Chem, a manufacturing company in Eastern Europe, has been converted into shares of that company and an amount of £150,000 has been injected by Dr M J Peagram in the form of a director's loan.