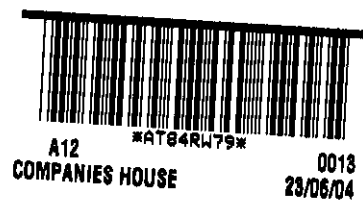


***BRAD-CHEM LIMITED***  
***ABBREVIATED FINANCIAL STATEMENTS***  
***FOR THE YEAR ENDED 30 SEPTEMBER 2003***  
***COMPANY NUMBER - 2232890***



**REPORT OF THE AUDITORS TO BRAD-CHEM LIMITED**

**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 30 September 2003 prepared under section 226 of the Companies Act 1985.

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

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 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 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions 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 financial statements.

***Opinion***

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

*Robbins Partnership*

**Robbins Partnership  
Registered Auditors  
Chartered Accountants  
176 Monton Road  
Monton  
Manchester  
M30 9GA**

25 May 2004

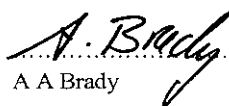
**BRAD-CHEM LIMITED**

**ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2003**

	<u>Note</u>	<u>2003</u>	<u>2002</u>
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	2	28,167	-
Tangible assets	3	31,310	17,757
<b>CURRENT ASSETS</b>			
Stocks		78,976	91,906
Debtors		229,820	216,800
Cash at bank and in hand		161,598	140,686
		<u>470,394</u>	<u>449,392</u>
<b>CREDITORS: Amounts falling due within one year</b>	4	<u>332,124</u>	<u>282,162</u>
<b>NET CURRENT ASSETS</b>		<u>138,270</u>	<u>167,230</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>197,747</u>	<u>184,987</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	5	-	820
<b>PROVISION FOR LIABILITIES AND CHARGES</b>		<u>8,308</u>	<u>-</u>
<b>NET ASSETS</b>		<u>£ 189,439</u>	<u>£ 184,167</u>
<b>CAPITAL AND RESERVES</b>			
		£	£
Called up share capital	6	100	100
Profit and loss account		<u>189,339</u>	<u>184,067</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>£ 189,439</u>	<u>£ 184,167</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors on 25 May 2004  
and signed on its behalf by:

  
A A Brady

The notes on pages 3 to 5 form part of these abbreviated financial statements.

1 ACCOUNTING POLICIES

**Accounting basis and standards**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective June 2002).

**Research and development**

Expenditure on pure and applied research is written off through the profit and loss account in the year in which it is incurred.

Development expenditure is also written off in the year of expenditure except where there is a clearly defined profit, with separately identifiable expenditure, that has been assessed with reasonable certainty as to its technical feasibility and ultimate commercial viability, where future revenues are expected to exceed future costs and where adequate resources exist to enable the project to be completed. In this case development expenditure may be deferred to future periods to the extent that they are expected to be recovered.

Where development costs are deferred they are amortised, commencing with the commercial production or application of the product, over the period over which they are expected to be sold or used.

**Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and discounts.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	:	25% reducing balance
Fixtures, fittings and equipment	:	25% reducing balance
Computer equipment	:	25% straight line basis

**Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to provide a constant periodic rate of charge on the net obligation outstanding in each period.

**Operating leases**

Rental applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

**Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

**Deferred taxation**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that a deferred tax asset is only recognised to the extent that it is regarded as recoverable. Deferred tax is measured using the tax rate that is expected to apply in the periods in which the timing differences are expected to reverse.

**Pension**

The company operates a defined contribution pension scheme which is funded by contributions from the company. The funds are held in an independent administered scheme. The pension cost charge represents contributions payable to the scheme.

**Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account.

**2 INTANGIBLE ASSETS**

	<u>Research &amp; development</u>
<i>Cost</i>	
Additions and at 30 September 2003	29,000
	<hr/>
<i>Amortisation</i>	
Charge for the year and at 30 September 2003	833
	<hr/>
<i>Net Book Value</i>	
At 30 September 2003	£ 28,167
	<hr/> <hr/>

**3 TANGIBLE ASSETS**

	<u>Total</u>
<i>Cost</i>	£
At 1 October 2002	78,271
Additions	22,294
Disposals	( 12,735 )
At 30 September 2003	87,830
	<hr/>
<i>Depreciation</i>	
At 1 October 2002	60,514
Charge for the year	6,193
Disposals	( 10,187 )
At 30 September 2003	56,520
	<hr/>
<i>Net Book Value</i>	
At 30 September 2003	£ 31,310
	<hr/> <hr/>
At 30 September 2002	£ 17,757
	<hr/> <hr/>

**3 CREDITORS: Amounts falling due within one year**

Creditor includes obligations under hire purchase contracts of £820 (2002 - £4,7581), which are secured on the assets to which they relate.

**4 CREDITORS: Amounts falling due after more than one year**

	<u>2003</u>	<u>2002</u>
Hire purchase contracts	£ -	£ 820
	<hr/> <hr/>	<hr/> <hr/>

Obligations under hire purchase contracts are secured on the assets to which they relate.

**5 CALLED UP SHARE CAPITAL**

	<u>2003</u>	<u>2002</u>
<i>Authorised</i>		
100,000 Ordinary shares of £1 each	£ 100,000	£ 100,000
	<u>          </u>	<u>          </u>
<i>Called up, allotted and fully paid</i>		
100 Ordinary shares of £1 each	£ 100	£ 100
	<u>          </u>	<u>          </u>

**6 RELATED PARTIES**

Other creditors in Note 11 includes an amount of £141,740 (2002: £114,979) owing to the director, Mr A A Brady.

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