

Registered number: SC178704

ALCHEMY LABORATORIES LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2005



SCT 8R5VNF4P 1066
COMPANIES HOUSE 04/05/06

ALCHEMY LABORATORIES LIMITED

INDEPENDENT AUDITORS' REPORT TO ALCHEMY LABORATORIES LIMITED **Under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Alchemy Laboratories Limited for the year ended 31 December 2005 set out on pages 3 to 7, together with the financial statements of the company for the year ended 31 December 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with s.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 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 sections 246 (5) and (6) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT 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 sections 246 (5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 7 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 17 March 2006 we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our audit report was as follows:

We have audited the financial statements of Alchemy Laboratories Limited for the year ended 31 December 2005 set out on pages 4 to 12. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of directors' responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

ALCHEMY LABORATORIES LIMITED

INDEPENDENT AUDITORS' REPORT TO ALCHEMY LABORATORIES LIMITED
Under section 247B of the Companies Act 1985

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

However the evidence available to us was limited in relation to the comparatives in the current year's financial statements, which derived from the financial statements for the year ended 31 December 2004. The company did not require a statutory audit in that year. We have therefore not been able to conduct auditing procedures necessary to obtain adequate assurance regarding the comparative figures and the opening balances because the prior period financial statements were unaudited. Any adjustments to the opening balances would have a consequential effect on the profit for the year under review.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2005, except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the opening balances at 1 January 2005, of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to the opening balances:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.
- we were unable to determine whether proper accounting records had been maintained.



EQ Chartered Accountants

Registered Auditors

41 North Lindsay Street
Dundee
DD1 1PW

Date:

7/3/06

ALCHEMY LABORATORIES LIMITED

ABBREVIATED BALANCE SHEET
As at 31 December 2005

	Note	2005		2004	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	2		47,881		77,563
Investments	3		1,287,888		688,419
			<u>1,335,769</u>		<u>765,982</u>
CURRENT ASSETS					
Stocks		142,372		115,926	
Debtors		421,089		184,642	
Cash at bank and in hand		440,618		372,952	
		<u>1,004,079</u>		<u>673,520</u>	
CREDITORS: amounts falling due within one year		<u>(290,708)</u>		<u>(191,724)</u>	
NET CURRENT ASSETS			<u>713,371</u>		<u>481,796</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,049,140</u>		<u>1,247,778</u>
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation			(9,606)		(6,336)
NET ASSETS			<u>£ 2,039,534</u>		<u>£ 1,241,442</u>
CAPITAL AND RESERVES					
Called up share capital	5		100		100
Share premium account			1,816		1,816
Revaluation reserve			418,071		33,407
Profit and loss account			1,619,547		1,206,119
SHAREHOLDERS' FUNDS			<u>£ 2,039,534</u>		<u>£ 1,241,442</u>

ALCHEMY LABORATORIES LIMITED

ABBREVIATED BALANCE SHEET
As at 31 December 2005

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 15/2/06 and signed on its behalf.

Director



The notes on pages 5 to 7 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 December 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of Investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.3 Turnover

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

1.4 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:

Freehold property	-	2% straight line
Furniture, fittings & equipment	-	25% reducing balance

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.7 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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.8 Research and development

Research and development expenditure is written off in the year in which it is incurred.

1.9 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

ALCHEMY LABORATORIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2005

2. TANGIBLE FIXED ASSETS

	£
Cost or valuation	
At 1 January 2005	137,519
Additions	27,022
Disposals	(64,396)
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At 31 December 2005	100,145
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Depreciation	
At 1 January 2005	59,956
Charge for the year	14,528
On disposals	(22,220)
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At 31 December 2005	52,264
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Net book value	
At 31 December 2005	£ 47,881
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At 31 December 2004	£ 77,563
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3. FIXED ASSET INVESTMENTS

	£
Cost	
At 1 January 2005	688,419
Additions	553,411
Disposals	(338,606)
Revaluations	384,664
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At 31 December 2005	£ 1,287,888
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Listed investments

The market value of the listed investments at 31 December 2005 was £1,287,888 (2004 - £688,419) .

4. RELATED PARTY TRANSACTIONS

The company was under the control of Mr & Mrs R Lamotte throughout the current and previous year.

The feasibility costs and other professional costs associated with the proposal to move to new business premises have been purchased by the director's personal pension scheme for an amount of £22,360.

ALCHEMY LABORATORIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2005

5. SHARE CAPITAL

	2005	2004
	£	£
Authorised		
1,000 Ordinary shares shares of £1 each	£ 1,000	£ 1,000
	<u><u> </u></u>	<u><u> </u></u>
Allotted, called up and fully paid		
100 Ordinary shares shares of £1 each	£ 100	£ 100
	<u><u> </u></u>	<u><u> </u></u>