

**SGS LABORATORIES LIMITED**

**Company Registration Number: 05706308 (England and Wales)**

**REPORT OF THE DIRECTOR AND  
UNAUDITED FINANCIAL STATEMENTS**

**For the year ended 28 February 2011**



**DIRECTOR**  
Lucy Camilla Siddiqi

**SECRETARY**  
Igor Semikhodski

**REGISTERED OFFICE**  
7 Pine Walk  
Cobham  
Surrey  
KT11 2HJ

**REPORT OF THE DIRECTOR**

The director presents her report with the financial statements of the company for the year ended 28 February 2011

**Principal Activities**

The principal activity of the company in the year under review was the development of DNA-based testing methodology for medical diagnostic purposes

**Directors**

Lucy Camilla Siddiqi has held office during the whole year from 1<sup>st</sup> March 2010 to 28<sup>th</sup> February 2011

**Political and charitable donations**

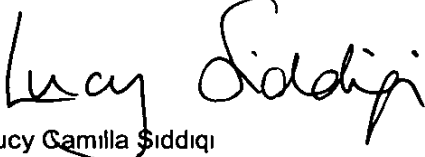
No contributions to political organisations or charitable donations were made during this or previous year

**Company policy on the employment of disabled persons**

It is the company's policy to give employment to disabled persons wherever practicable. No registered disabled were employed by the company during this or previous year

The above report has been prepared in accordance with the special provisions contained in Part 15 of the Companies Act 2006 relating to small companies

This report was approved by the sole director on 17<sup>th</sup> November 2011 and signed by

  
Lucy Camilla Siddiqi  
Director

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 28 FEBRUARY 2011**

|   | <u>Notes</u> | <u>Year ended<br/>28/02/2011</u><br>£ | <u>Year ended<br/>28/02/2010</u><br>£ |
|---|--------------|---------------------------------------|---------------------------------------|
| Turnover  |              | -                                     | -                                     |
| Administrative expenses   | 2            | <u>(12,603)</u>                       | <u>(32,162)</u>                       |
| <b>Operating loss and Loss on<br/>ordinary activities before taxation</b> |              | (12,603)                              | (32,162)                              |
| Tax on loss on ordinary activities  | 3            | <u>-</u>                              | <u>-</u>                              |
| <b>Loss for the year</b>  |              | <u>(12,603)</u>                       | <u>(32,162)</u>                       |

**STATEMENT OF TOTAL RECOGNISED GAINES AND LOSSES  
FOR THE YEAR ENDED 28 FEBRUARY 2011**

There are no recognised gains or losses other than those recorded in the profit and loss account

**BALANCE SHEET AS AT 28 FEBRUARY 2011**

|  | Notes | As at 28/02/2011 |                  | As at 28/02/2010 |                  |
|--|-------|------------------|------------------|------------------|------------------|
|  |       | £                | £                | £                | £                |
| <b>Fixes assets</b>  |       |                  |                  |                  |                  |
| Tangible fixed assets  | 4     |                  | -                |                  | 468              |
| <b>Current assets</b>  |       |                  |                  |                  |                  |
| Debtors  | 5     | 889              |                  | 8,515            |                  |
| Cash at bank and in hand                                       |       | <u>25</u>        |                  | <u>5</u>         |                  |
|  |       | 914              |                  | 8,520            |                  |
| <b>Creditors. amounts falling due within one year</b>          | 6     | <u>(41,549)</u>  |                  | <u>(53,591)</u>  |                  |
| <b>Net current liabilities</b>                                 |       |                  | (40,635)         |                  | (45,071)         |
| <b>Creditors' amounts falling due after more than one year</b> | 7     |                  | (138,738)        |                  | (122,167)        |
| <b>Net Liabilities</b>   |       |                  | <u>(179,373)</u> |                  | <u>(166,770)</u> |
| <b>Capital and Reserves</b>                                    |       |                  |                  |                  |                  |
| Called up share capital  | 8     |                  | 20               |                  | 20               |
| Profit and loss account  | 9     |                  | (179,393)        |                  | (166,790)        |
| <b>Total Shareholders' Funds</b>                               |       |                  | <u>(179,373)</u> |                  | <u>(166,770)</u> |

These accounts have been prepared in accordance with the special provisions contained in Part 15 of Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

For the year ended 28<sup>th</sup> February 2011 the company was entitled to the exemption from audit, in accordance with sections 475 and 477 of the Companies Act 2006 relating to small companies and no notice has been deposited under section 476 of the Act requiring the company to obtain an audit of its accounts

The director acknowledges her responsibility for complying with the requirement of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The Financial Statements were approved by the sole director on 17<sup>th</sup> November 2011

  
Lucy Camilla Siddiqi  
Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2011**

**1 Principal Accounting Policies**

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

(b) Turnover

Turnover represents amounts, net of Value Added Tax, invoiced during the year in respect of services provided to customers in the United Kingdom and abroad

(c) 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 less estimated residual value of each asset over its expected useful economic life, as follows

Computer Equipment – 33% straight line method

(d) Research and development

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

**2 Administrative Expenses**

|                               | Year ended<br>28/02/2011<br>£ | Year ended<br>28/02/2010<br>£ |
|-------------------------------|-------------------------------|-------------------------------|
| Professional fees             | 8,577                         | 25,945                        |
| Depreciation – owned assets   | 468                           | 469                           |
| Other administrative expenses | <u>3,558</u>                  | <u>5,748</u>                  |
| Administrative expenses       | <u>12,603</u>                 | <u>32,162</u>                 |

**3. Tax on Profit on Ordinary Activities**

No UK Corporation Tax is payable due to a trading loss incurred in the year (2010 £nil)

**4. Tangible Fixed Assets**

**Computer  
 Equipment  
 £**

**Cost**

|                     |              |
|---------------------|--------------|
| At 1 March 2010     | 1,406        |
| Additions           | -            |
| At 28 February 2011 | <u>1,406</u> |

**Accumulated Depreciation**

|                     |                |
|---------------------|----------------|
| At 1 March 2010     | (938)          |
| Charge for the year | (468)          |
| At 28 February 2011 | <u>(1,406)</u> |

**Net Book Value**

|                     |            |
|---------------------|------------|
| At 1 March 2010     | <u>468</u> |
| At 28 February 2011 | <u>-</u>   |

**5 Debtors**

|               | <b>As at<br/>28/02/2011<br/>£</b> | <b>As at<br/>28/02/2010<br/>£</b> |
|---------------|-----------------------------------|-----------------------------------|
| Other debtors | <u>889</u>                        | <u>8,515</u>                      |

**6. Creditors. Amounts Due Within One Year**

|                 | <b>As at<br/>28/02/2011<br/>£</b> | <b>As at<br/>28/02/2010<br/>£</b> |
|-----------------|-----------------------------------|-----------------------------------|
| Trade creditors | <u>41,549</u>                     | <u>53,591</u>                     |

**7. Creditors: Amounts Due After One Year**

|                 | <b>As at<br/>28/02/2011<br/>£</b> | <b>As at<br/>28/02/2010<br/>£</b> |
|-----------------|-----------------------------------|-----------------------------------|
| Unsecured loans | <u>138,738</u>                    | <u>122,167</u>                    |

The loans have arisen as a result of funding of company's expenditure by its shareholders (see Note 10) No interest is charged on the loans, which are all unsecured and repayable when the company's resources permit

## 8. Share Capital

|   | As at<br>28/02/2011<br>£ | As at<br>28/02/2010<br>£ |
|---|--------------------------|--------------------------|
| Authorised<br>100,000 ordinary shares of 10p each                     | <u>10,000</u>            | <u>10,000</u>            |
| Allotted, called up and fully paid<br>200 ordinary shares of 10p each | <u>20</u>                | <u>20</u>                |

## 9. Profit and Loss Account

|                              | As at<br>28/02/2011<br>£ | As at<br>28/02/2010<br>£ |
|------------------------------|--------------------------|--------------------------|
| At the beginning of the year | (166,790)                | (134,628)                |
| Loss for the year            | <u>(12,603)</u>          | <u>(32,162)</u>          |
| At the end of the year       | <u>(179,393)</u>         | <u>(166,790)</u>         |

## 10. Ultimate Control

Throughout the year the ultimate control of the company rested with its shareholders and their related parties, namely (1) Mr Igor Semikhodski, (2) Mr Simon Green and (3) Mr Tariq Siddiqi

Subsequent to the year end, as a result of the termination of the litigation (see Note 11) effective on 15<sup>th</sup> July 2011, the ultimate control of the company has passed to Mr Tariq Siddiqi and Mr Igor Semikhodski, the company's only remaining shareholders

## 11. Post Balance Sheet Events

Since 2007, the company conducted litigation against one of its former directors and shareholders (Mr Simon Green) and certain other defendants to secure return of the company's assets which were unlawfully diverted from the company's control. On 30<sup>th</sup> June 2011 the company entered into a settlement agreement with the defendants, and in accordance with this agreement the legal proceedings were terminated by a Court Order on 15<sup>th</sup> July 2011

As a result of this settlement, it will no longer be possible for the company to recover its assets, while the full control of the company has passed to Mr Igor Semikhodski and Mr Tariq Siddiqi, who now own 50% each of the company's issued shares. As a consequence, the company's ability to continue in business is uncertain. However, the company and its shareholders believe that the company has a valid claim in professional negligence against Forsters LLP, its former legal advisor. The company intends to commence legal proceedings against Forsters LLP to recover from the firm the financial losses resulting from the loss of its assets and the costs incurred in pursuing their recovery. The outcome of this litigation is uncertain and as such the ability of the company to continue as a going concern cannot be guaranteed

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