

HEROIX CORPORATION LIMITED

COMPANY REGISTRATION No. 2121732

Abbreviated Accounts
for the year ended 31 December 1998



HEROIX CORPORATION LIMITED

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HEROIX CORPORATION LIMITED

AUDITORS' REPORT TO HEROIX CORPORATION LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 December 1998 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 sections 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 considered 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 2 to 4 are properly prepared in accordance with those provisions.



Fraser Russell

Chartered Accountants
Registered Auditor

28 MAY 1999
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Hertford
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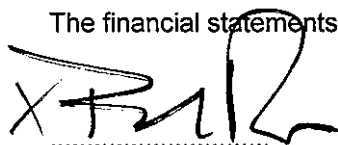
HEROIX CORPORATION LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1998

	Notes	1998 £	£	1997 £	£
Fixed assets					
Tangible assets	2		122,031		60,157
Current assets					
Stocks		7,911		13,770	
Debtors		965,063		613,678	
Cash at bank and in hand		471,314		495,431	
		<u>1,444,288</u>		<u>1,122,879</u>	
Creditors: amounts falling due within one year		<u>(1,012,154)</u>		<u>(752,095)</u>	
Net current assets			<u>432,134</u>		<u>370,784</u>
Total assets less current liabilities			<u>554,165</u>		<u>430,941</u>
Capital and reserves					
Called up share capital	3		5,010		5,010
Profit and loss account			549,155		425,931
Shareholders' funds			<u>554,165</u>		<u>430,941</u>

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

The financial statements were approved by the board on 28 May 1998



P F Roxan
Director

HEROIX CORPORATION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 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 life, as follows:

Computer equipment	33.33% Straight line
Fixtures, fittings & equipment	20% Straight line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

HEROIX CORPORATION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1998

2 Fixed assets

	Tangible assets £
Cost	
At 1 January 1998	326,671
Additions	136,820
Disposals	(139,237)
At 31 December 1998	324,254
Depreciation	
At 1 January 1998	266,514
On disposals	(139,237)
Charge for the year	74,946
At 31 December 1998	202,223
Net book value	
At 31 December 1998	122,031
At 31 December 1997	60,157

3 Share capital

	1998 £	1997 £
Authorised		
5,000 Ordinary shares of £1 each	5,000	5,000
2 Ordinary A shares of £1 each	2	2
8 Ordinary B shares of £1 each	8	8
	5,010	5,010
Allotted, called up and fully paid		
5,000 Ordinary shares of £1 each	5,000	5,000
2 Ordinary A shares of £1 each	2	2
8 Ordinary B shares of £1 each	8	8
	5,010	5,010

4 Transactions with directors

During the year under review the company paid royalties of £780,878 (1997 £995,041) to Heroix Corporation Inc, a company registered in the United States of America in which H Reisman is a shareholder. These transactions were carried out in the normal course of business.