

Registered no: 302461

APPROVED PRESCRIPTION SERVICES LIMITED
Annual report
for the year ended 31 December 1995



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for the year ended 31 December 1995

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APPROVED PRESCRIPTION SERVICES LIMITED

Directors and advisers

Directors

T.J. Allington
P. Blinman
M.J. Harris
A.G. Kay

Secretary and registered office

M.J. Harris

Leeds Business Park
18 Bruntcliffe Way
Morley
Leeds LS27 0JG

Registered auditors

Coopers & Lybrand
Chartered Accountants
1 Embankment Place
London WC2N 6NN

APPROVED PRESCRIPTION SERVICES LIMITED

Directors' report

for the year ended 31 December 1995

The directors present their report and the audited financial statements for the year ended 31 December 1995.

Principal activities

The company's principal activities during the year were the manufacture and distribution of pharmaceutical products.

The company's activities include acting as an undisclosed agent for its fellow subsidiary company Rorer Pharmaceuticals Limited for no consideration. Under the terms of the agreement, the company carries out certain trading transactions and holds assets (including bank accounts) on behalf of its principal. The principal has indemnified the company against any liabilities which may arise in its capacity as agent. Accordingly the beneficial rights and obligations of all such transactions are deemed to rest with the principal and are recorded in its financial statements.

Review of business

The company's turnover decreased by 5% over the previous year and this contributed to the operating loss of £459,000. Subject to the transfer of part of the company's business in 1996, as outlined below, the directors expect that the present level of activity will be sustained for the foreseeable future.

On 31 March 1995 the company issued 10,000 ordinary shares at a premium of £749 per share to its then parent, May & Baker Limited, and in consequence the financial position of the company has been further strengthened. On 6 July 1995 May & Baker Limited transferred its entire shareholding in the company to Rhone-Poulenc Rorer Holdings Limited. The company's year end financial position remains satisfactory.

Dividends and transfers to reserves

The results for the year ended 31 December 1995 are shown on page 8. The directors do not recommend the payment of a dividend in respect of the year (1994: Nil) and the profit of £549,000 (1994: £4,404,000 loss) will be transferred to reserves.

Post balance sheet events

On 1 March 1996 the company transferred its "Berk" branded generics business to a newly formed 74% owned subsidiary company, APS/Berk Limited, for a consideration which has yet to be determined. Sales of "Berk" branded generic products in 1995 amounted to £6,391,000.

Changes in tangible fixed assets

The movements in tangible fixed assets during the year are set out in note 9 to the financial statements. On 24 March 1995 the company acquired land and buildings it had previously leased from its parent company, May & Baker Limited, for a consideration of £5,608,000.

APPROVED PRESCRIPTION SERVICES LIMITED

Directors

The directors at the date of this report are shown on page 3. Directors who served during the year were as follows:-

T.J. Allington

P. Blinman

M.J. Harris

A.G. Kay

J.D Michelmores resigned 27 February 1996

None of the directors at 31 December 1995 had an interest in the shares or debentures of the company during the year, or of any group company incorporated in Great Britain.

Employees

During the year employees were regularly provided with information regarding the financial and economic factors affecting the performance of the company and on other matters of concern to them as employees, through the medium of regular employee reports. Additionally regular consultations took place with employee representatives so that the views of employees could be taken into account when making decisions which are likely to affect their interests.

Applications for employment from disabled persons are given full and fair consideration and, where practicable, employees who are disabled are given appropriate training whilst employed by the company. Every effort is made to offer employment to employees who become temporarily or permanently disabled.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1995. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

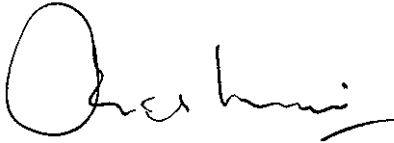
The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

APPROVED PRESCRIPTION SERVICES LIMITED

Registered auditors

An elective resolution to dispense with the obligation to appoint auditors annually has been passed by the company in general meeting and therefore the registered auditors, Coopers & Lybrand, will continue in office.

By order of the board

A handwritten signature in black ink, appearing to read 'M.J. Harris', written over a large, loopy capital 'O'.

M.J. Harris

Company secretary

1 March 1996

APPROVED PRESCRIPTION SERVICES LIMITED

Report of the auditors to the members of Approved Prescription Services Limited

We have audited the financial statements on pages 8 to 19.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

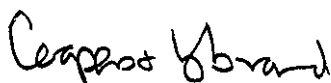
Basis of opinion

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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1995 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
London
1 March 1996

APPROVED PRESCRIPTION SERVICES LIMITED
Profit and loss account
for the year ended 31 December 1995

| | Notes | 1995 £000 | 1994 £000 |
|--|-------|-------------------|-----------------------|
| Turnover - continuing operations | 2 | 42,286 | 44,717 |
| Cost of sales | | (36,893) | (41,550) |
| Gross profit - continuing operations | | <u>5,393</u> | <u>3,167</u> |
| Net operating expenses | 3 | (5,852) | (6,486) |
| Operating loss - continuing operations | | <u>(459)</u> | <u>(3,319)</u> |
| Interest receivable and similar income | | 207 | 7 |
| Interest payable and similar charges | 6 | (91) | (1,263) |
| Loss on ordinary activities before taxation | 7 | <u>(343)</u> | <u>(4,575)</u> |
| Tax on ordinary activities | 8 | 892 | 171 |
| Profit/(loss) for the financial year | 19 | <u><u>549</u></u> | <u><u>(4,404)</u></u> |

The company has no recognised gains and losses other than the profits/losses above and therefore no separate statement of total recognised gains and losses has been presented.

Loss on ordinary activities before taxation and profit/(loss) for the financial year as stated above, are no different to their equivalents calculated on a historical cost basis.

APPROVED PRESCRIPTION SERVICES LIMITED

Balance sheet at 31 December 1995

| | Notes | 1995 £000 | 1994 £000 |
|---|-------|----------------------|----------------------|
| Fixed assets | | | |
| Tangible assets | 9 | <u>8,879</u> | <u>2,376</u> |
| Current assets | | | |
| Stocks | 10 | 11,327 | 11,222 |
| Debtors | 11 | 10,779 | 13,083 |
| Cash at bank and in hand | | 553 | 282 |
| | | <u>22,659</u> | <u>24,587</u> |
| Creditors: | | | |
| Amounts falling due within one year | 12 | (9,686) | (13,373) |
| Net current assets | | <u>12,973</u> | <u>11,214</u> |
| Total assets less current liabilities | | 21,852 | 13,590 |
| Creditors: | | | |
| Amounts falling due after more one year | 13 | (58) | - |
| Provisions for liabilities and charges | 16 | (432) | (277) |
| Net assets | | <u>21,362</u> | <u>13,313</u> |
| Capital and reserves | | | |
| Called-up share capital | 18 | 90 | 80 |
| Share premium account | 19 | 24,965 | 17,475 |
| Revaluation reserve | 19 | - | 13 |
| Profit and loss account | 19 | (3,693) | (4,255) |
| Equity shareholders' funds | 20 | <u>21,362</u> | <u>13,313</u> |

The financial statements on pages 8 to 19 were approved by the board of directors on 1 March 1996 and were signed on its behalf by:

P. Blinman
Director



APPROVED PRESCRIPTION SERVICES LIMITED

Notes to the financial statements for the year ended 31 December 1995

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

Foreign currencies

Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the transaction, except where they are covered by forward exchange contracts where the contracted rates of exchange are used. Assets and liabilities are translated into sterling at rates of exchange ruling at the balance sheet date. All currency profits and losses are dealt with in the profit and loss account.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods supplied to customers.

Agency arrangements

The company carries out certain trading transactions and holds assets (including bank accounts) on behalf of its principal. The principal has indemnified the company against any liabilities which may arise in its capacity as agent. Accordingly the beneficial rights and obligations of all such transactions are deemed to rest with the principal and are recorded in its financial statements.

Development expenses

Development expenditure and expenditure on applications for patents, licences and trademarks is written off in the year in which it is incurred.

Tangible fixed assets

Fixed assets are stated at historical cost or valuation. Depreciation is provided on a straight line basis to write off the assets over their estimated useful lives at the following annual rates:-

| | % |
|---------------------|-----------------|
| Leasehold buildings | period of lease |
| Plant and fixtures | 10-20 |

Where the directors consider that a permanent diminution in value has occurred, an appropriate provision is made at that time.

Additions to fixed assets are depreciated from the time when they are brought into use.

APPROVED PRESCRIPTION SERVICES LIMITED

Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads. Estimated net realisable value consists of expected sales value less costs required to bring stock to its current condition and location. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise. Full provision is made for deferred taxation on timing differences arising from the provision of employee pensions.

Pension costs

The company participates in a number of pension schemes, the principal schemes being the Rhone-Poulenc Pension Scheme (the "Rhone-Poulenc Scheme") which provides benefits based on final pensionable salary principally for United Kingdom employees of the Rhone-Poulenc group and the Approved Prescription Services Limited Retirement and Death Benefit Scheme (the "APS Scheme") which is a defined contribution scheme which provides guaranteed minimal levels of benefits to certain employees. The assets of the schemes are held in separate trustee-administered funds. Pension costs are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. This differs from funding policy where any experience gains or losses may be recognised more quickly.

Contributions are determined by a qualified actuary on the basis of valuations using the projected credit method (Rhone-Poulenc Scheme) and attained age method (APS Scheme). For the Rhone-Poulenc Scheme these are calculated for the whole scheme and allocated to each sponsoring company on the basis of its pensionable payroll.

The company provides no other post retirement benefits to its employees.

APPROVED PRESCRIPTION SERVICES LIMITED

2 Turnover

The company's turnover was all derived from its principal activity. Sales were made in the following geographical markets:

| | 1995 £000 | 1994 £000 |
|------------------------------|---------------|---------------|
| United Kingdom | 40,676 | 42,052 |
| Rest of Europe | 1,145 | 1,420 |
| Australasia | 2 | 8 |
| Indian sub-continent | 20 | 30 |
| South East Asia and Far East | 17 | 34 |
| North and South America | 229 | 885 |
| Middle East and North Africa | 6 | 51 |
| Rest of Africa | 191 | 237 |
| | <u>42,286</u> | <u>44,717</u> |

3 Net operating expenses

| | 1995 £000 | 1994 £000 |
|--------------------------------|--------------|--------------|
| Continuing operations | | |
| Selling and distribution costs | 3,943 | 3,876 |
| Administration expenses | 1,909 | 2,610 |
| | <u>5,852</u> | <u>6,486</u> |

4 Directors' emoluments

The remuneration paid to the directors of Approved Prescription Services Limited was:

| | 1995 £000 | 1994 £000 |
|--|--------------|--------------|
| For managerial services (including pension contributions and benefits in kind) | <u>77</u> | <u>40</u> |

Fees and other emoluments (excluding pension contributions) include amounts paid to:

| | 1995 £000 | 1994 £000 |
|-----------------------|--------------|--------------|
| The chairman | <u>Nil</u> | <u>Nil</u> |
| Highest paid director | <u>73</u> | <u>20</u> |

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The number of directors (including the chairman and the highest paid director) who received fees and other emoluments (excluding pension contributions) within the following ranges was:

| | 1995 Number | 1994 Number |
|--------------------|----------------|----------------|
| £0 to £5,000 | 4 | 5 |
| £10,001 to £15,000 | - | 1 |
| £20,001 to £25,000 | - | 1 |
| £70,001 to £75,000 | 1 | - |

5 Employee information

The average number of persons (including executive directors) employed by the company during the year was:

| | 1995 Number | 1994 Number |
|--------------------------------|----------------|----------------|
| By activity | | |
| Office and management | 110 | 115 |
| Manufacturing and distribution | 231 | 221 |
| | <u>341</u> | <u>336</u> |

In addition to the above, the average number of persons employed during the year on a temporary basis was 41 (1994: 78).

| | 1995 £000 | 1994 £000 |
|---|--------------|--------------|
| Staff costs (for the above persons): | | |
| Wages and salaries | 6,906 | 7,177 |
| Social security costs | 609 | 699 |
| Other pension costs | 471 | 313 |
| Redundancy costs | (142) | 1,000 |
| | <u>7,844</u> | <u>9,189</u> |

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6 Interest payable and similar charges

| | 1995 £000 | 1994 £000 |
|---|--------------|--------------|
| Bank loans and overdrafts repayable within 5 years, not by instalments | 90 | 78 |
| Group undertakings | - | 1,185 |
| Finance leases | 1 | - |
| | <u>91</u> | <u>1,263</u> |

Interest payable on loans from group undertakings is charged at commercial rates.

7 Loss on ordinary activities before taxation

| | 1995 £000 | 1994 £000 |
|---|--------------|--------------|
| Loss on ordinary activities before taxation is stated after crediting: | | |
| Profit on disposal of tangible fixed assets | <u>32</u> | <u>1</u> |
| And after charging: | | |
| Depreciation and amounts written off tangible fixed assets: | | |
| Owned fixed assets | 893 | 730 |
| Leased fixed assets | 77 | 5 |
| Auditors' remuneration for non-audit services | - | 56 |
| Hire of plant and machinery - operating leases | 66 | 33 |
| Hire of other assets - operating leases | <u>640</u> | <u>640</u> |

Audit fees have been accounted for on a group basis and not charged to the company.

8 Tax on ordinary activities

| | 1995 £000 | 1994 £000 |
|---|--------------|--------------|
| Taxation credit based on losses for the year: | | |
| Carry back of losses to prior periods | (720) | - |
| Receipt for group relief | (203) | (150) |
| Adjustments in respect of prior years | 31 | (21) |
| | <u>(892)</u> | <u>(171)</u> |

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9 Tangible fixed assets

| | Freehold land and buildings £000 | Leasehold land and buildings £000 | Plant and equipment £000 | Work in progress £000 | Total £000 |
|--|---|--|-----------------------------------|-----------------------------|---------------|
| Cost or valuation | | | | | |
| At 1 January 1995 | 150 | 142 | 9,688 | 291 | 10,271 |
| Additions: | | | | | |
| From fellow subsidiary | 8,953 | 1,713 | - | - | 10,666 |
| Other | - | - | - | 2,260 | 2,260 |
| Disposals: | | | | | |
| To fellow subsidiary | - | - | (210) | - | (210) |
| Other | (290) | - | (3,106) | - | (3,396) |
| Transfers | 375 | - | 1,297 | (1,672) | - |
| At 31 December 1995 | 9,188 | 1,855 | 7,669 | 879 | 19,591 |
| Depreciation: | | | | | |
| At 1 January 1995 | - | 106 | 7,789 | - | 7,895 |
| Additions: | | | | | |
| From fellow subsidiary | 4,653 | 405 | - | - | 5,058 |
| Charge for year | 299 | 72 | 599 | - | 970 |
| Disposals: | | | | | |
| To fellow subsidiary | - | - | (210) | - | (210) |
| Other | - | - | (3,001) | - | (3,001) |
| At 31 December 1995 | 4,952 | 583 | 5,177 | - | 10,712 |
| Net book value: | | | | | |
| At 31 December 1995 | 4,236 | 1,272 | 2,492 | 879 | 8,879 |
| At 31 December 1994 | 150 | 36 | 1,899 | 291 | 2,376 |
| Cost or valuation at 31 December 1995 is represented by: | | | | | |
| Valuation in 1992 | 20 | - | - | - | 20 |
| Cost | 9,168 | 1,855 | 7,669 | 879 | 19,571 |
| | <u>9,188</u> | <u>1,855</u> | <u>7,669</u> | <u>879</u> | <u>19,591</u> |

Plant and equipment includes assets held under finance leases with a total cost of £130,000 at 31 December 1995. Depreciation charge in the year and accumulated depreciation at 31 December 1995 amounted to £5,000.

There is no material difference between asset values as above and asset values stated under historical cost principles.

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10 Stocks

| | 1995 £000 | 1994 £000 |
|-------------------------------------|---------------|---------------|
| Raw materials and consumables | 2,576 | 2,448 |
| Work in progress | 2,339 | 2,913 |
| Finished goods and goods for resale | 6,412 | 5,861 |
| | <u>11,327</u> | <u>11,222</u> |

11 Debtors

| | 1995 £000 | 1994 £000 |
|--|---------------|---------------|
| Amounts falling due after more than one year | | |
| Pension fund top-up | 1,008 | - |
| Amounts falling due within one year | | |
| Trade debtors | 7,256 | 8,705 |
| Amounts owed by holding and fellow subsidiary undertakings | 2,091 | 4,216 |
| Current taxation | 285 | - |
| Prepayments and accrued income | 118 | 128 |
| Other debtors | 21 | 34 |
| | <u>10,779</u> | <u>13,083</u> |

The company made a top-up contribution of £1,008,000 to the Rhone-Poulenc Pension Scheme when the rights and benefits of employees participating in the Rorer Health Care Staff Pension Plan were transferred to the Rhone-Poulenc Pension Scheme. This payment will be charged to the profit and loss account so as to spread the cost over the relevant employees' expected future working lives with the company. No amortisation was charged to the profit and loss account during 1995.

12 Creditors: amounts falling due within one year

| | 1995 £000 | 1994 £000 |
|--|--------------|---------------|
| Obligations under finance leases | 34 | - |
| Trade creditors | 4,920 | 7,504 |
| Amounts owed to holding and fellow subsidiary undertakings | 344 | 439 |
| Other taxation and social security costs | 1,009 | 572 |
| Accruals and deferred income | 3,379 | 4,858 |
| | <u>9,686</u> | <u>13,373</u> |

13 Creditors: amounts falling due after more than one year

| | 1995 £000 | 1994 £000 |
|----------------------------------|--------------|--------------|
| Obligations under finance leases | <u>58</u> | <u>-</u> |

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14 Capital commitments

| | 1995 £000 | 1994 £000 |
|---|--------------|--------------|
| Capital expenditure that has been contracted but not provided for in the financial statements | <u>19</u> | <u>140</u> |
| Capital expenditure authorised by the directors but not yet contracted for | <u>5</u> | <u>7</u> |

15 Financial commitments

The net obligations under finance leases to which the company was committed at 31 December 1995 fall due as follows:

| | 1995 £000 | 1994 £000 |
|----------------------|--------------|--------------|
| Within one year | 34 | - |
| In two to five years | 58 | - |
| | <u>92</u> | <u>-</u> |

At 31 December 1995 the company was committed to annual payments in respect of operating leases expiring as follows:

| | 1995 £000 | 1994 £000 |
|----------------------|--------------|--------------|
| Land and buildings: | | |
| Over five years | <u>151</u> | <u>151</u> |
| Other assets: | | |
| In two to five years | <u>542</u> | <u>490</u> |

16 Provisions for liabilities and charges

Pension obligations

| | £000 |
|---------------------------------------|------------|
| At 1 January 1995 | 277 |
| Profit and loss account | 471 |
| Contributions paid to pension schemes | (316) |
| At 31 December 1995 | <u>432</u> |

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Deferred taxation

Deferred taxation provided in the financial statements and the total potential liability, are as follows:

| | Amount provided | | Total potential liability/(asset) | |
|--|-----------------|----------|-----------------------------------|----------------|
| | 1995 | 1994 | 1995 | 1994 |
| | £000 | £000 | £000 | £000 |
| Tax effect of timing differences because of: | | | | |
| Excess of capital allowances over depreciation | - | - | 215 | (20) |
| Other timing differences | - | - | (278) | (1,226) |
| | <u>-</u> | <u>-</u> | <u>(63)</u> | <u>(1,246)</u> |

17 Pension obligations

Details of the Rhone-Poulenc Scheme and the APS Scheme are given in the accounts of Rhone-Poulenc Rorer Holdings Limited.

The pension charge for the year was £471,000 (1994: £313,000) which was after allowing for a net £3,000 surplus (1994: £41,000 deficit) in respect of the amortisation of experience surpluses less experience deficits that are being recognised over the average service lives of employees. The company paid contributions of £316,000 (1994: £81,000) during the year.

An amount of £432,000 is included in provisions for liabilities and charges (1994: £277,000) which represents the difference between the accumulated pension cost and the payment of contributions to the pension funds.

18 Called-up share capital

| | 1995 | 1994 |
|---|------------|------------|
| | £000 | £000 |
| Authorised | | |
| Ordinary shares of £1 each | <u>100</u> | <u>100</u> |
| Allotted, called up and fully paid | | |
| Ordinary shares of £1 each | <u>90</u> | <u>80</u> |

In order to further strengthen the company's financial position 10,000 ordinary shares of £1 each were issued, at a premium of £749 per share, to the company's parent, May & Baker Limited, on 31 March 1995. On 6 July 1995 May & Baker Limited transferred its entire shareholding in the company to Rhone-Poulenc Rorer Holdings Limited.

APPROVED PRESCRIPTION SERVICES LIMITED

19 Reserves

| | Share premium account £000 | Revaluation reserve £000 | Profit and loss account £000 |
|----------------------------|----------------------------------|--------------------------------|------------------------------------|
| At 1 January 1995 | 17,475 | 13 | (4,255) |
| Profit for year | - | - | 549 |
| Issue of ordinary shares | 7,490 | - | - |
| Disposal of fixed assets | - | (13) | 13 |
| At 31 December 1995 | <u>24,965</u> | <u>-</u> | <u>(3,693)</u> |

20 Reconciliation of movements in shareholders' funds

| | 1995 £000 | 1994 £000 |
|------------------------------------|----------------------|----------------------|
| Opening shareholders' funds | 13,313 | 217 |
| Profit/(loss) for year | 549 | (4,404) |
| Issue of ordinary shares | 7,500 | 17,500 |
| Closing shareholders' funds | <u>21,362</u> | <u>13,313</u> |

21 Cash flow statement

The company is a wholly owned subsidiary of Rhone-Poulenc Rorer Holdings Limited, a company incorporated in Great Britain. A cash flow statement, dealing with the cash flows of the group, is presented by Rhone-Poulenc Rorer Holdings Limited in its consolidated financial statements and therefore the company has not prepared its own cash flow statement.

22 Contingent liability

In the normal course of business the company has given an unlimited cross guarantee in respect of bank loans and overdrafts of a number of its holding and fellow subsidiary undertakings in the United Kingdom. The amount to which this cross guarantee relates is £8,640,000 at 31 December 1995 (1994: £1,200,000).

23 Parent companies

The smallest group in which the company's results are consolidated is headed by Rhone-Poulenc Rorer Holdings Limited a company registered in England and Wales. Copies of the parent's consolidated financial statements may be obtained from RPR House, 52 St Leonards Road, Eastbourne, BN21 3YG.

The directors regard the largest group in which the company's results are consolidated is that headed by Rhone-Poulenc S.A. a company incorporated in France. Copies of the ultimate parent's consolidated financial statements may be obtained from 25 quai Paul Doumer, 92408 Courbevoie, Cedex, France.