

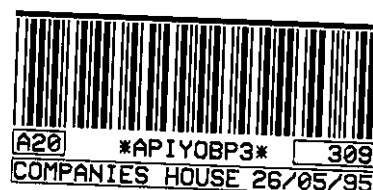
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REPORT AND ACCOUNTS

**Toxicol Laboratories Limited**

31 DECEMBER 1994

100 8026



# TOXICOL LABORATORIES LIMITED

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## **DIRECTORS**

J H Baillie (Chairman)  
D W Griffith  
D Gillings  
L Reynders  
M Wilson

## **SECRETARY**

M Wilson

## **AUDITORS**

Ernst & Young  
Apex Plaza  
Reading  
RG1 1YE

## **REGISTERED OFFICE**

Toxicol Laboratories Limited  
Bromyard Road  
Ledbury  
Herefordshire  
HR8 1LH

## **REGISTERED IN ENGLAND**

1008026

# TOXICOL LABORATORIES LIMITED

## DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 1994.

### RESULTS AND DIVIDENDS

The profit for the financial year after tax amounts to £207,754 (1993: £460,466). The directors recommend that no dividend be paid. The balance of retained profits is to be added to reserves.

### REVIEW OF BUSINESS

The principal activity of the company continued to be that of contract research.

Turnover has increased to £6,124,360 (1993: £5,819,901) during the year and expenditure has been contained.

### CHANGES IN FIXED ASSETS

The company has continued to modernise its existing facilities and is well placed to meet any upturn in demand. Details of the changes in tangible fixed assets are set out in note 10 to the accounts.

### DIRECTORS' INTERESTS IN SHARES OF THE COMPANY

The directors who served throughout the year are listed on page 1. None of the directors has any beneficial or non-beneficial interests in the share capital of the company.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

# TOXICOL LABORATORIES LIMITED

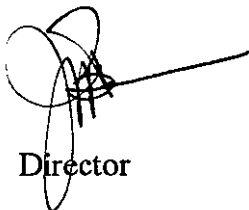
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## DIRECTORS' REPORT

### AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board

A handwritten signature in black ink, consisting of a large, stylized 'E' followed by a series of vertical strokes and a long horizontal line extending to the right.

Director

**REPORT OF THE AUDITORS**  
to the members of Toxicol Laboratories Limited

We have audited the accounts on pages 5 to 20 which have been prepared under the historical cost convention modified by the revaluation of freehold land and buildings and on the basis of the accounting policies set out on pages 8 and 9.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled for the year ended 31 December 1994 to the exemption available under section 248 of the Companies Act 1985 from the requirement to prepare consolidated accounts.



Chartered Accountants  
Registered Auditor  
Reading

25 April 1995

# TOXICOL LABORATORIES LIMITED

## PROFIT AND LOSS ACCOUNT for the year ended 31 December 1994

	<i>Note</i>	<i>1994</i> £	<i>1993</i> £
<b>TURNOVER</b> - continuing operations	2	6,124,360	5,819,961
Cost of sales		3,753,200	3,386,011
		<u>2,371,160</u>	<u>2,433,950</u>
Other operating expenses	3	1,971,890	1,842,072
<b>OPERATING PROFIT</b> - continuing operations	4	399,270	591,878
Other income	7	1,316	777
Interest payable	8	208,168	132,189
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>192,418</u>	<u>460,466</u>
Taxation	9	(15,336)	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>207,754</u>	<u>460,466</u>
<b>RETAINED PROFIT FOR THE YEAR</b>	20	<u>207,754</u>	<u>460,466</u>

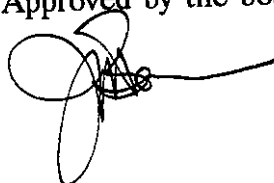
There have been no recognised gains and losses other than the profit for the period.

# TOXICOL LABORATORIES LIMITED

## BALANCE SHEET at 31 December 1994

	Note	1994 £	1993 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	10	5,719,965	4,949,618
Investments	11	1,000	1,000
		<u>5,720,965</u>	<u>4,950,618</u>
<b>CURRENT ASSETS</b>			
Stocks	12	158,851	143,330
Debtors	13	1,042,995	1,095,241
Cash at bank and in hand	14	-	-
		<u>1,201,846</u>	<u>1,238,571</u>
<b>CREDITORS: amounts falling due within one year</b>	15	5,032,181	4,501,735
<b>NET CURRENT LIABILITIES</b>		<u>(3,830,335)</u>	<u>(3,263,164)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,890,630</u>	<u>1,687,454</u>
<b>CREDITORS: amounts falling due after more than one year</b>	16	-	4,578
<b>Net assets</b>		<u>1,890,630</u>	<u>1,682,876</u>
<b>CAPITAL AND RESERVES</b>			
Equity share capital	19	3,333	3,333
Share premium account		190,328	190,328
Revaluation reserve		569,378	569,378
Profit and loss account		1,127,591	919,837
<b>Equity shareholders' funds</b>	20	<u>1,890,630</u>	<u>1,682,876</u>

Approved by the board of directors on 24 April 1995.


 )  
 ) Directors  
 )

# TOXICOL LABORATORIES LIMITED

## STATEMENT OF CASH FLOWS for the year ended 31 December 1994

	<i>Note</i>	<i>1994</i> £	<i>1993</i> £
<b>NET CASH INFLOW</b> from operating activities	4(b)	1,285,947	1,110,204
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		1,316	777
Interest paid		(208,168)	(118,845)
Interest element of finance lease payments		-	(13,344)
Dividends paid		-	-
Net cash outflow from returns on investment and servicing of finance		(206,852)	(131,412)
<b>TAXATION</b>			
UK Corporation tax repaid		-	10,731
<b>INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		(1,265,590)	(1,056,421)
Disposal of tangible fixed assets		1,125	28,950
Net cash outflow from investing activities		(1,264,465)	(1,027,471)
<b>NET CASH OUTFLOW BEFORE FINANCING</b>		(185,370)	(37,948)
<b>FINANCING</b>			
Receipt of loans		(840,229)	(800,000)
Repayment of amounts borrowed		825,000	828,702
Capital element of HP payments		8,839	10,640
Net cash outflow from financing activities		(6,390)	130,342
Decrease in cash and cash equivalents	14	(178,980)	(168,290)
		(185,370)	(37,948)



# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 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 policies is set out below.

#### *Basis of Accounting*

The financial statements have been prepared on the historical cost convention modified to include the revaluation of freehold land and buildings.

As permitted by section 248 of the Companies Act 1985, the accounts show the results of the company as a single entity, and do not incorporate the results of its subsidiary company.

#### *Turnover*

Turnover represents the amounts invoiced, excluding value added tax, in respect of services provided to customers during the year after adjustments for amounts billed in advance.

#### *Tangible fixed assets*

Fixtures and fittings and motor vehicles are stated in the balance sheet at cost less depreciation. Land and buildings are stated in the balance sheet at valuation less depreciation.

#### *Depreciation*

Depreciation is calculated so that tangible fixed assets are written off over their estimated useful lives as follows:

Freehold land	Nil	
Buildings	2% to 5%	Straight line basis
Fixtures and fittings	10% to 25%	Straight line basis
Motor vehicles	25%	Reducing Balance

#### *Hire purchase and finance leases*

Where assets are financed by hire purchase or finance lease agreements that give rights approximating to ownership the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum hire payments during the term of the contract. The corresponding hire commitments are shown as obligations to the hirer.

#### *Operating leases*

Charges under operating leases are made in the profit and loss account on a straight line basis over the lease term as they are incurred.

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 1 PRINCIPAL ACCOUNTING POLICIES (Continued)

#### *Stock and long term contracts*

Turnover is recognised according to the stage reached in a contract by reference to the value of work done. Profit is recognised on a contract once the outcome of the contract can be assessed with reasonable certainty, by reference to the work done as a proportion of the total contract cost. The amount by which the turnover exceeds payments on account is shown under debtors as amounts recoverable on contracts. The costs on contracts not yet taken to the profit and loss account less related foreseeable losses and payments on account are shown as work in progress.

#### *Pensions*

The company makes payments to a defined contribution pension scheme. Payments are made to a separately administered, independent scheme and are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

#### *Deferred taxation*

Deferred taxation is provided using the liability method to take account of timing differences between the treatment of certain items for the purposes of the financial statements and their treatment for taxation purposes, to the extent that they are expected to crystallise in the foreseeable future.

#### *Foreign currency assets and liabilities*

Current assets and liabilities in foreign currencies are translated at the rate of exchange that rules at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions.

### 2 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit on ordinary activities before taxation are attributable to the one principal activity of the company. Exports for the year were £4,013,765 1993: £4,057,022). The directors consider that the disclosure of exports by geographical market would be seriously prejudicial to the interests of the company.

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

3	OTHER OPERATING EXPENSES	1994	1993
		£	£
	Distribution costs	222,670	294,632
	Administrative costs	523,229	469,595
	Other operating charges	1,225,991	1,077,845
		<u>1,971,890</u>	<u>1,842,072</u>
4	OPERATING PROFIT	1994	1993
		£	£
(a)	<i>This is stated after charging:</i>		
	Staff costs	2,856,887	2,641,956
	Depreciation charge for the year:		
	- Tangible owned fixed assets	491,746	401,541
	- Tangible fixed assets held under finance leases and hire purchase contracts	3,497	15,442
	Auditors' remuneration	15,750	16,250
	Operating lease rentals		
	- Plant and machinery	59,476	80,067
	- Land and buildings	14,750	24,375
		<u></u>	<u></u>
(b)	<i>Reconciliation of operating profit to net cash inflow/(outflow) from operating activities</i>		
		1994	1993
		£	£
	Operating profit	399,270	591,878
	Depreciation of tangible fixed assets	495,243	416,983
	(Increase)/decrease in stocks	(15,521)	151,514
	Decrease/(increase) in debtors	52,246	(79,087)
	Increase in creditors	355,834	31,988
	Profit on disposal of tangible fixed assets	(1,125)	(3,072)
		<u>1,285,947</u>	<u>1,110,204</u>
	Net cash inflow from operating activities		
		<u></u>	<u></u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE ACCOUNTS at 31 December 1994

### 5 DIRECTORS' EMOLUMENTS

	1994 £	1993 £
Fees	-	-
Other emoluments (including pension contributions and benefits in kind)	192,747	179,903
	<u>192,747</u>	<u>179,903</u>

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

	1994 £	1993 £
The Chairman	103,734	97,178
	<u>103,734</u>	<u>97,178</u>
The highest paid director	103,734	97,178
	<u>103,734</u>	<u>97,178</u>

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

	1994 Number	1993 Number
£0 to £ 5,000	3	3
£65,001 to £70,000	-	1
£75,001 to £80,000	1	-
£95,001 to £100,000	-	1
£100,001 to £105,000	1	-
	<u>1</u>	<u>-</u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE ACCOUNTS at 31 December 1994

### 6 EMPLOYEE INFORMATION

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

	<i>1994 Number</i>	<i>1993 Number</i>
Office and administration	42	38
Laboratory and research	135	118
	<u>177</u>	<u>156</u>
	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Staff costs (for the above persons)		
Wages and salaries	2,548,565	2,331,181
Social security costs	235,910	241,429
Other pension costs	72,412	69,346
	<u>2,856,887</u>	<u>2,641,956</u>

### 7 OTHER INCOME

	<i>1994 £</i>	<i>1993 £</i>
Interest receivable	1,316	777
	<u>1,316</u>	<u>777</u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE ACCOUNTS at 31 December 1994

8	INTEREST PAYABLE AND SIMILAR CHARGES	1994	1993
		£	£
	On bank loans, overdrafts and other loans:		
	Repayable within 5 years, not by instalments	62,527	1,002
	Repayable within 5 years, by instalments	-	-
	Repayable wholly or partly in more than 5 years	-	-
		<u>62,527</u>	<u>1,002</u>
	On group loan	143,535	117,843
	On finance leases and hire purchase contracts	2,106	13,344
		<u>208,168</u>	<u>132,189</u>
		<u><u>208,168</u></u>	<u><u>132,189</u></u>
9	TAXATION	1994	1993
		£	£
	United Kingdom corporation tax at 33%		
	Current	-	-
	Over provision in prior years	(15,336)	-
		<u>£(15,336)</u>	<u>-</u>
		<u><u>£(15,336)</u></u>	<u><u>-</u></u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 10 TANGIBLE FIXED ASSETS

	<i>Freehold land and buildings £</i>	<i>Fixtures and fittings £</i>	<i>Motor vehicles £</i>	<i>Total £</i>
<b>Cost or valuation</b>				
At 31 December 1993	3,533,942	3,531,973	104,680	7,010,595
Additions	596,990	574,249	94,351	1,265,590
Disposals	-	(5,898)	-	(5,898)
31 December 1994	<u>4,150,932</u>	<u>3,920,324</u>	<u>199,031</u>	<u>8,270,287</u>
<b>Depreciation</b>				
At 31 December 1993	93,595	1,944,027	23,355	2,060,977
Charge for the period	79,208	385,241	30,794	495,243
Disposals	-	(5,898)	-	(5,898)
At 31 December 1994	<u>172,803</u>	<u>2,323,370</u>	<u>54,149</u>	<u>2,550,322</u>
<b>Net book value</b>				
At 31 December 1994	<u>3,978,129</u>	<u>1,596,954</u>	<u>144,882</u>	<u>5,719,965</u>
At 31 December 1993	<u>3,460,347</u>	<u>1,407,946</u>	<u>81,325</u>	<u>4,949,618</u>

The net book value of tangible fixed assets includes an amount of £10,493 (1993-£96,670) in respect of assets held under finance leases and hire purchase contracts.

Land and buildings were revalued at 1 May 1992 with reference to a valuation of the property dated 28 April 1992. This valued the property, on the basis of open market value, at £1.8 million, but indicated that this value might be uplifted by 50% to take account of the specialist nature and scarcity value of the site.

On a historical cost basis, freehold land and buildings would have been included as follows:

	<i>31 December 1994 £</i>
Cost	4,087,828
Accumulated depreciation	(713,547)
	<u>3,374,281</u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 11 FIXED ASSET INVESTMENTS

	1994	1993
	£	£
Investment in subsidiary at cost	1,000	1,000

The company owns 100% of the £1 ordinary share capital of Histological Services Limited, a dormant company incorporated in the UK and registered in England and Wales.

### 12 STOCKS

	1994	1993
	£	£
Raw materials and consumables	153,701	132,780
Long term contract balances	5,150	10,550
	<u>158,851</u>	<u>143,330</u>

### 13 DEBTORS

	1994	1993
	£	£
Amounts falling due within one year		
Trade debtors	868,940	971,834
Amounts recoverable on contracts	22,544	27,508
Other debtors	5,527	9,985
Prepayments and accrued income	145,984	85,914
	<u>1,042,995</u>	<u>1,095,241</u>



# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 14 CASH AND CASH EQUIVALENTS

	1994 £	1993 £
At the beginning of the period	(152,927)	15,363
Net cash outflow	(178,980)	(168,290)
Balance at 31 December	<u>(331,907)</u>	<u>(152,927)</u>

### 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1994 £	1993 £
Bank overdraft (see Note 14)	331,907	152,927
Payments received on account	523,963	1,693,814
Trade creditors	457,823	469,796
Obligations under finance leases and hire purchase contracts (see Note 17)	4,578	8,839
Amounts owed to ultimate parent undertaking	1,637,224	190,664
Amounts owed to subsidiary undertaking	135,539	135,539
Loan from immediate parent undertaking	-	825,000
Loan from fellow subsidiary undertaking	1,640,229	800,000
Corporation tax	-	15,336
Other taxation & social security payable	76,548	87,923
Other creditors	15,932	42,556
Accruals & deferred income	208,438	79,341
	<u>5,032,181</u>	<u>4,501,735</u>

The company has a debenture dated 25 November 1993 incorporating a first legal charge over the freehold property at Bromyard Road, Ledbury, Herefordshire.

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 16 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	1994	1993
	£	£
Hire purchase & finance leases (see Note 17)	-	4,578
	<u>          </u>	<u>          </u>

### 17 OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

	1994	1993
	£	£
Amounts payable:		
within one year	5,628	10,945
within two to five years	-	5,628
Less: finance charges allocated to future periods	(1,050)	(3,156)
	<u>4,578</u>	<u>13,417</u>
	<u>          </u>	<u>          </u>

Finance lease and hire purchase contracts  
were analysed as follows:

Current obligations	4,578	8,839
Non-current obligations	-	4,578
	<u>4,578</u>	<u>13,417</u>
	<u>          </u>	<u>          </u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE ACCOUNTS at 31 December 1994

### 18 PROVISION FOR LIABILITIES AND CHARGES

#### *Deferred taxation*

Deferred taxation provided and not provided are as follows:

	<i>Provided</i>		<i>Not provided</i>	
	<i>31 Dec</i>	<i>31 Dec</i>	<i>31 Dec</i>	<i>31 Dec</i>
	<i>1994</i>	<i>1993</i>	<i>1994</i>	<i>1993</i>
	£	£	£	£
Capital allowances in advance of depreciation	-	-	1,528,911	1,315,392
Other	-	-	(39,631)	(6,220)
Losses carried forward	-	-	(654,077)	(592,376)
	<u>-</u>	<u>-</u>	<u>835,203</u>	<u>716,796</u>

### 19 EQUITY SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>1994</i>	<i>1993</i>	<i>1994</i>	<i>1993</i>
	£	£	£	£
Ordinary shares of £1 each	10,000	10,000	3,333	3,333

### 20 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Equity Shareholders' funds</i>
	£
At 1 January 1994	1,682,876
Retained profit for the period	207,754
At 31 December 1994	<u>1,890,630</u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 21 ANALYSIS OF CHANGES IN FINANCING DURING THE PERIOD

	Share Capital (including premium) £	Loans and Finance lease obligations £
At 1 January 1994	193,661	1,829,082
Receipt of loans	-	2,286,789
Loan repayment	-	(825,000)
Repayment of hire purchase and finance lease contracts	-	(8,840)
At 31 December 1994	<u>193,661</u>	<u>3,282,031</u>

### 22 CAPITAL COMMITMENTS

	1994 £	1993 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>150,267</u>	<u>244,685</u>
Capital expenditure that has been authorised by the directors but has not yet been contracted for	<u>66,334</u>	<u>12,235</u>

# TOXICOL LABORATORIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 1994

### 23 FINANCIAL COMMITMENTS

At 31 December 1994 the company had annual commitments under non-cancellable operating leases as follows:

	<i>Land and building 1994 £</i>	<i>Other 1994 £</i>	<i>Land and building 1993 £</i>	<i>Other 1993 £</i>
Expiring within one year	-	8,581	3,000	18,281
Expiring between two and five years inclusive	13,500	29,308	13,500	25,970
Expiring after more than five years	5,000	708	-	-
	<u>18,500</u>	<u>38,597</u>	<u>16,500</u>	<u>44,251</u>

### 24 PENSION COMMITMENTS

The company operates a defined contribution money purchase pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 25 CONTINGENT LIABILITIES

At 31 December 1994 the company had outstanding forward foreign exchange contracts having a sterling equivalent value of £100,174.

At 31 December 1994 the company had a right of set-off incorporated within a multi-lateral guarantee for the bank liabilities of the Group companies (Quintiles Holdings Limited, Quintiles (UK) Limited, Toxicol Laboratories Limited and Histological Services Limited) dated 25 November 1993. The group's total borrowings under this facility at 31 December 1994 was £825,154 (inclusive of the company's overdraft of £332,265).

### 26 ULTIMATE HOLDING COMPANY

The company is a wholly owned subsidiary of Quintiles Transnational Corporation, a company incorporated in the United States. The immediate parent undertaking is Quintiles Holdings Limited, a company incorporated in England and Wales. Copies of the ultimate holding company's financial statements may be obtained from Quintiles Transnational Corporation, P O Box 13979, Research Triangle Park, North Carolina, USA, 27709-3979.

## TOXICOL LABORATORIES LIMITED

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The following pages do not form part of the financial accounts

# TOXICOL LABORATORIES LIMITED

## TRADING PROFIT AND LOSS ACCOUNT for the year ended 31 December 1994

	1994	1993
£	£	
<b>SALES AND SERVICES</b>	6,124,360	5,819,961
<b>Cost of Sales</b>		
Opening stock and work in progress	170,838	308,364
Laboratory fees	199,001	211,013
Purchases of consumable goods	634,302	574,593
Salaries and national insurance	2,930,454	2,462,879
	<u>3,934,595</u>	<u>3,556,849</u>
Less closing stock and work in progress	181,395	170,838
	<u>3,753,200</u>	<u>3,386,011</u>
	<u>2,371,160</u>	<u>2,433,950</u>
Interest receivable	1,316	777
	<u>2,372,476</u>	<u>2,434,727</u>
<b>Distribution costs</b>		
Agents salary and expenses	41,943	145,013
Entertaining	16,580	15,729
Travel and hotel expenses	143,532	117,062
Motor expenses	20,615	16,828
	<u>222,670</u>	<u>294,632</u>
<b>Administrative expenses</b>		
Directors remuneration	155,000	155,000
Key man insurance	-	864
Audit and accountancy	34,906	24,170
Legal and professional fees	41,603	20,717
Staff recruitment	19,256	26,722
Printing, stationery and advertising	67,123	70,854
Postage, telephone and carriage	82,315	58,277
Consultancy fees	-	-
Non trading expenses	-	-
Management charge - Quintiles	123,026	112,991
	<u>523,229</u>	<u>469,595</u>

# TOXICOL LABORATORIES LIMITED

## TRADING PROFIT AND LOSS ACCOUNT for the year ended 31 December 1994

	1994 £	1993 £
<b>Other operating charges</b>		
Insurance	115,454	94,146
General expenses	147,871	121,157
Rent and rates	71,416	70,505
Depreciation	495,251	416,983
Repairs and maintenance	141,251	132,714
Heat and light	163,826	162,545
Leasing of plant and equipment	64,172	80,067
Bad debt provision	27,882	2,800
Profit on disposals	(1,124)	(3,072)
	<u>1,225,991</u>	<u>1,077,845</u>
<b>Interest payable</b>		
Other loan interest	-	-
Trust loan interest	-	-
Hire purchase interest	2,106	13,344
Interest on bank loans and overdrafts	62,527	932
Mortgage interest	-	-
Group loan interest	143,535	117,843
Interest on date paid ACT	-	70
	<u>208,168</u>	<u>132,189</u>
	<u>2,180,058</u>	<u>1,974,261</u>
Profit/(loss) on ordinary activities before taxation	<u>£192,418</u>	<u>£460,466</u>