

COMPANY REGISTRATION NUMBER 1866803

MOLECULAR DISCOVERY LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2006

THURSDAY



A56 *A5PRBMB3* 417
18/01/2007
COMPANIES HOUSE

SOBELL RHODES
Chartered Accountants
Monument House
215 Marsh Road
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MOLECULAR DISCOVERY LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2006

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MOLECULAR DISCOVERY LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTOR OF MOLECULAR DISCOVERY LIMITED

YEAR ENDED 31 MARCH 2006

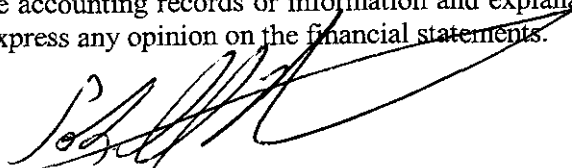
In accordance with the engagement letter dated 5 January 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Director, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Director that we have done so, and state those matters that we have agreed to state to him in this 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 Director, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 March 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



SOBELL RHODES
Chartered Accountants

Monument House
215 Marsh Road
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Middlesex
HA5 5NE

15/1/07
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MOLECULAR DISCOVERY LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 2006

	Note	2006 £	£	2005 (restated) £	£
FIXED ASSETS	2				
Tangible assets			70		6,843
CURRENT ASSETS					
Debtors		214,974		34,286	
Investments		300,000		300,000	
Cash at bank and in hand		<u>1,205,485</u>		<u>1,125,002</u>	
		1,720,459		1,459,288	
CREDITORS: Amounts falling due within one year		<u>248,860</u>		<u>248,777</u>	
NET CURRENT ASSETS			<u>1,471,599</u>		<u>1,210,511</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,471,669</u>		<u>1,217,354</u>
PROVISIONS FOR LIABILITIES AND CHARGES			<u>257</u>		<u>1,929</u>
			<u><u>1,471,412</u></u>		<u><u>1,215,425</u></u>

The Balance sheet continues on the following page.
The notes on pages 4 to 6 form part of these abbreviated accounts.

MOLECULAR DISCOVERY LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

31 MARCH 2006

	Note	2006 £	2005 <i>(restated)</i> £
CAPITAL AND RESERVES			
Called-up equity share capital	4	5	5
Profit and loss account		<u>1,471,407</u>	<u>1,215,420</u>
SHAREHOLDER'S FUNDS		<u>1,471,412</u>	<u>1,215,425</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

These abbreviated accounts were approved and signed by the director on12/1/07.....



DR G CRUCIANI
Director

The notes on pages 4 to 6 form part of these abbreviated accounts.

MOLECULAR DISCOVERY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

-FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'.

FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)' and FRS 26 'Financial Instruments: Measurement (IAS 39)'

In adopting FRS 25, a new accounting policy for distributions has been adopted as described below:

a) The director has complied with the requirements of FRS 25 requiring distributions to equity investments holders to be debited directly to equity, net of costs and any income tax benefit rather than to the profit and loss account, resulting in a prior year adjustment.

b) the effect of a prior period adjustment on the results for the preceding period in accordance with FRS 3 was to increase the reported retained profit for the period by £175,000. There was no change to the reported net reserves and shareholders funds for the period.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Furniture and equipment - 25% on cost

MOLECULAR DISCOVERY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 April 2005 and 31 March 2006	<u>27,086</u>
DEPRECIATION	
At 1 April 2005	20,243
Charge for year	<u>6,773</u>
At 31 March 2006	<u>27,016</u>

MOLECULAR DISCOVERY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2006

2. FIXED ASSETS *(continued)*

NET BOOK VALUE

At 31 March 2006

70

At 31 March 2005

6,843

3. RELATED PARTY TRANSACTIONS

Molecular Discovery Limited related parties, the nature of the relationship and the extent of the transactions with them are summarised below:

Diplema 463 Limited

The company is a wholly owned subsidiary of Diplema 463 Limited.

During the year the company paid Royalties in the amount of £64,342 (2005-£77,806) and Dividends in the amount of £175,000 (2005-£175,000) to Diplema 463 Limited.

At the period end, the company owed £48,615 (2005-£58,417) to Diplema 463 Limited.

4. SHARE CAPITAL

Authorised share capital:

	2006	2005 (restated)
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>

5. ULTIMATE PARENT COMPANY

The ultimate parent company is Diplema 463 Limited, a company registered in England and Wales.