

ISIS INNOVATION LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1994

Registered Company Number 2199542



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ISIS INNOVATION LIMITED

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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1994

The Directors submit their report and the audited financial statements of the company for the year ended 31st March 1994.

Principal Activity and Business Review

The principal activity of the company is the development, patenting and exploiting of ideas emanating from the University of Oxford.

The Oxford Innovation Society, a network of industrial companies who subscribe for services rendered by the company, increased its membership to 38 during the year.

Results and Dividends

The profit for the year amounted to £ 111,375, which was paid by way of deed of covenant to the University of Oxford. The directors do not recommend the payment of a dividend.

The results of the company for the year show that £124,444 is due to the University of Oxford as a distribution of the net project income. If the covenant is also taken into account, the University has benefitted by £229,444 directly from the activities of the company, as well as indirectly by attracting additional research grants.

Directors

The following directors held office during the year:

Dr J.N. Hiddleston	
Professor Sir Peter Hirsch	
I.G.Thompson	
Sir Martin Wood	
E.B.Smith	
Professor E.M. Southern	
Professor J.M. Brady	(Appointed 1/7/93)
P. Foy	(Appointed 1/7/93)
Sir David Cocksey	(Appointed 1/7/93)
E. P. Chappell	(Resigned 28/4/93)

The Company is wholly owned by the University of Oxford. I.G.Thompson holds one share on behalf of the Chancellor, Masters and Scholars of the University of Oxford.

Statement of Directors' Responsibilities

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

- select suitable accounting policies and then apply them;
- 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 financial statements;
- prepare the financial statements 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 financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Auditors

In accordance with the Companies' Act section 385, a resolution to re-appoint KPMG Peat Marwick as the company's auditors will be proposed at the annual general meeting.

By order of the Board,

A handwritten signature in dark ink, appearing to read 'J.A. Chubb', is written over the printed name and title.

J.A. Chubb,
Secretary.

.....1994

ISIS INNOVATION LIMITED

REPORT OF THE AUDITORS, KPMG HEAT MARWICK, TO THE MEMBERS OF ISIS INNOVATION LIMITED

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described on page 1 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 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 us 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 as at 31st March 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Heat Marwick

Chartered Accountants.
Registered Auditors.
Reading

2nd May 1994

YSIS INNOVATION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 1994

		1994	1993
	Note	£	£
Net project receipts		-	10,454
University grant		20,000	20,000
Oxford Innovation Society		220,042	210,352
Sponsors		37,750	31,250
Donations		-	20,000
Other income	2	-	5,606
		<u>277,792</u>	<u>297,656</u>
EXPENDITURE			
Operating lease rental - motor car	3	1,179	4,716
Auditors' remuneration		3,500	3,500
Project net expenditure		41,014	21,760
Other administrative costs		145,305	158,836
		<u>190,998</u>	<u>188,812</u>
Total expenditure			
		<u>190,998</u>	<u>188,812</u>
Operating profit		86,794	108,844
Interest receivable		25,636	15,000
		<u>112,430</u>	<u>123,844</u>
Net profit on ordinary activities before taxation		112,430	123,844
Taxation	5	(1,055)	-
		<u>111,375</u>	<u>123,844</u>
Net Profit on ordinary activities after taxation		111,375	123,844
Deed of Covenant		(105,000)	(15,000)
		<u>6,375</u>	<u>108,844</u>
Retained surplus		6,375	108,844
		<u>(25,138)</u>	<u>(133,982)</u>
Balance brought forward		(25,138)	(133,982)
Retained surplus		6,375	108,844
		<u>(18,763)</u>	<u>(25,138)</u>
Balance carried forward		(18,763)	(25,138)

The company has no gains and losses other than those shown in the profit and loss account.

ISIS INNOVATION LIMITED

BALANCE SHEET AT 31 MARCH 1994

		1994	1993
	Note	£	£
Debtors falling due within one year:			
Oxford Molecular		7,226	10,986
Other debtors	6	106,187	78,699
Prepayments		2,567	4,058
Account with University Chest		131,748	161,079
		<u>247,728</u>	<u>254,822</u>
Bank and Cash		476,682	347,507
		<u>724,410</u>	<u>602,329</u>
Creditors falling due within one year:			
Accrued expenses		132,546	25,746
Tax (VAT, PAYE, NI and Tax on Covenant)	7	36,227	14,429
Subscriptions in Advance		174,400	161,042
Deferred revenue (donations)		-	26,250
		<u>343,173</u>	<u>227,467</u>
Total assets less current liabilities		<u>381,237</u>	<u>374,862</u>
Representing:			
Called-up share capital	8	400,000	400,000
Profit and loss account		(18,763)	(25,138)
Shareholders' funds		<u>381,237</u>	<u>374,862</u>

The financial statements on pages 4 to 8 were approved by the board of directors on
and were signed on its behalf by:

.....)
Dr J.N.Hiddleston) Directors
I.G.Thompson)
I.G.Thompson)

1) Accounting Policies

a) Basis of Accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

b) Project Expenditure

All expenditure for projects is written off in the year of expenditure.

c) Cashflow statement

The company is entitled to the exemptions available in Sections 246 to 249 of the Companies Act 1985 for small companies and, according to the provisions of FRS 1, is therefore exempt from the requirement to prepare a statement of cashflows.

2) Other Income

	1994	1993
	£	£
Directors fees	-	5,600
	<u>-</u>	<u>5,600</u>
	<u>-</u>	<u>5,600</u>

3) Lease Commitments

The company had financial commitments in respect of a non-cancellable operating lease of a motor car, which has now been terminated.

	1994	1993
	£	£
Date of lease termination within one to three years	-	4,716
	<u>-</u>	<u>4,716</u>

4) Employees

The average weekly number of persons, including directors, employed by the company during the year was

	1994	1993
	No.	No.
	3	3
	<u>3</u>	<u>3</u>
	£	£
The total cost of their remuneration was		
Wages and salaries	102,567	87,526
Social Security costs	2,017	8,849
Other pension costs	10,182	9,800
Total employees' remuneration	<u>114,766</u>	<u>106,175</u>

4) Employees (continued)

Directors' Remuneration

The total cost of the Directors' emoluments was

£	£
83,561	75,132

The Chairman's emoluments were:

Nil	Nil
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The Highest Paid Director's emoluments (excluding pension contributions) were:

73,379	65,332
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The numbers of Directors, who received emoluments (excluding pension contributions) in the following ranges were:

	Nb.	Nb.
£0	9	6
£70,001 - £75,000	-	1
£75,001 - £80,000	1	-

5) Taxation

1994	1993
£	£
1,055	-

UK corporation tax at 25% relating to prior year

6) Other Debtors

1994	1993
£	£
81,334	47,250
26,953	28,246
-	3,203
(2,100)	
106,187	78,699

Oxford Innovation Society

Other

Sponsorship of Society Dinner

Less: provision for bad debts

7) Tax Creditor

1994	1993
£	£
9,977	8,145
26,250	3,750
-	2,534
36,227	14,429

Value Added Tax

Income tax on Covenant

PRAXE and National Insurance

8) Called-up Share Capital

1994	1993
£	£
400,000	400,000
400,000	400,000

Authorised, allotted, called-up and fully paid:

at 1 April

400,000 shares @ £1

at 31 March

400,000 shares @ £1

9) Ultimate Ownership of the Company

The Company is wholly owned by the University of Oxford. A copy of the accounts of the University is obtainable from University Offices, Wellington Square, Oxford.