



S M I T H & H U T C H I N S O N
C H A R T E R E D A C C O U N T A N T S

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PAINEUROPE LIMITED

2714090

STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED
31ST DECEMBER 2004



PAINEUROPE LIMITED
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PAINEUROPE LIMITED
COMPANY INFORMATION

DIRECTORS:

C. B. Mitchell
D. Docherty

SECRETARY:

Tiercel Services Limited

REGISTERED OFFICE:

15 North Audley Street,
London W1K 6WZ

REGISTERED NUMBER:

2714090

AUDITORS:

Smith & Hutchinson
Chartered Accountants,
New Zealand House, 9th Floor
80 Haymarket
London SW1Y 4TQ

PAINEUROPE LIMITED

DIRECTORS' REPORT

The directors present their report together with the audited financial statements of the company for the year ended 31st December 2004.

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 or loss for that period. In preparing those financial statements, the directors are required to

select suitable accounting policies and apply them consistently;

make judgements and estimates that are reasonable and prudent, and;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

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 Companies Act 1985. 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.

Principal Activity

The principal activity of the company was that of producing journals and magazines relating to the health care service.

Review of Business

A summary of the results is shown on page 5 of the accounts.

Dividends

The directors of the company recommend that no dividend should be declared for the year.

PAINEUROPE LIMITED
DIRECTORS' REPORT - Continued

Directors and their interests

The directors at 31st December 2004 and their interest in the share capital of the company were as follows:

	Ordinary 'A' Shares of £1 each		Ordinary 'B' Shares of £1 each	
	2004	2003	2004	2003
C. B. Mitchell	-	-	-	-
D. Docherty	-	-	-	-

Tiercel Services Limited, a company in which C. B. Mitchell has an interest, holds 498 'A' and 498 'B' ordinary shares in the company as nominee holdings.

Auditors

Smith & Hutchinson, the auditors, have indicated their willingness to continue in office and a resolution proposing their re-appointment will be put forward to the next Annual General Meeting.

ON BEHALF OF THE BOARD

Pamela S. Little

TIERCEL SERVICES LIMITED
Secretary

Dated: 26th May 2005



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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
PAINEUROPE LIMITED

We have audited the financial statements on pages 5 to 8. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page 2 in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and UK Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, as amended. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of opinion

We conducted our audit in accordance with UK 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 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 31st December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, as amended.

SMITH & HUTCHINSON

**Registered Auditor and
Chartered Accountants**

Dated: 26th May 2005

R.M. Smith A.P.C. Fox

Registered to carry on audit work and regulated for a range of investment business
activities by the Institute of Chartered Accountants in England and Wales

PAINEUROPE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2004


	Notes	2004 £	2003 £
TURNOVER		297,860	71,588
Cost of sales		(270,782)	(65,080)
GROSS PROFIT		27,078	6,508
Administrative expenses		(2,121)	(3,204)
OPERATING PROFIT	2	24,957	3,304
Interest receivable		18	4
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		24,975	3,308
Taxation	3	(6,700)	(1)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		18,275	3,307
RETAINED PROFIT BROUGHT FORWARD		13,181	9,874
RETAINED PROFIT CARRIED FORWARD		£ 31,456	£ 13,181

There are no gains or losses for the year other than those stated in the profit and loss account at 31st December 2004.

PAINEUROPE LIMITED
BALANCE SHEET AS AT 31ST DECEMBER 2004

	Notes	2004 £	2003 £
CURRENT ASSETS			
Debtors	4	25,459	72,160
Cash at bank		<u>28,237</u>	<u>9,221</u>
		53,696	81,381
CREDITORS: Amounts falling due within one year	5	(21,244)	(67,204)
TOTAL ASSETS			
LESS CURRENT LIABILITIES		£ <u>32,452</u>	£ <u>14,177</u>
CAPITAL AND RESERVES			
Called up share capital	6	996	996
Profit and loss account		<u>31,456</u>	<u>13,181</u>
EQUITY SHAREHOLDERS' FUNDS	7	£ <u>32,452</u>	£ <u>14,177</u>

APPROVED BY THE BOARD



C. B. MITCHELL
 Director

Dated: 26th May 2005

PAINEUROPE LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004**

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting and reporting standards.

2. Profit on ordinary activities

	2004 £	2003 £
The profit on ordinary activities before taxation arises after charging:		
Auditors' remuneration	£ <u>1,200</u>	£ <u>1,200</u>

3. Taxation

Corporation tax and the adjusted profit is charged as follows:	2004 £	2003 £
Current corporation tax at 30%	£ <u>6,700</u>	£ <u>1</u>

4. Debtors

	2004 £	2003 £
Trade debtor	23,528	71,588
Corporation tax recoverable	-	204
Value Added Tax	<u>1,931</u>	<u>368</u>
	£ <u>25,459</u>	£ <u>72,160</u>

5. Creditors: Amounts falling due within one year

	2004 £	2003 £
Other creditors	4	4
Corporation tax	6,700	1
Accruals	<u>14,540</u>	<u>67,199</u>
	£ <u>21,244</u>	£ <u>67,204</u>

PAINEUROPE LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004**

6. Called up share capital

	2004 £	2003 £
Authorised:		
500 ordinary 'A' shares of £1 each	500	500
500 ordinary 'B' shares of £1 each	<u>500</u>	<u>500</u>
	£ <u>1,000</u>	£ <u>1,000</u>
Allotted, issued and fully paid:		
498 ordinary 'A' shares of £1 each	498	498
498 ordinary 'B' shares of £1 each	<u>498</u>	<u>498</u>
	£ <u>996</u>	£ <u>996</u>

7. Equity shareholders' funds

	2004 £
At 1st January 2004	14,177
Profit for the year	<u>18,275</u>
At 31st December 2004	£ <u>32,452</u>

8. Contingent liabilities

There were no contingent liabilities at the balance sheet date.

9. Capital commitments

The company was not committed to any capital expenditure at the date of the balance sheet.

10. Related Party Transactions

The ultimate controlling parties identified by the company are various trusts the beneficiaries of which include descendants of the late Isaac and Sophie Sackler.

The company received income from Mundipharma International Limited, a company related to the ultimate controlling parties, of £297,860 (2003: £71,588) and has amounts due from the same company of £23,528 (2003: due from £71,588 and due to £65,999).