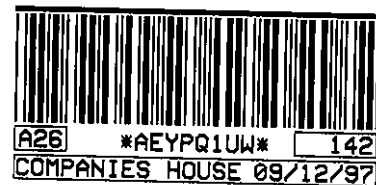


COMPANIES
HOUSE

HERMES LIMITED
DIRECTOR'S REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1996



Company No. 2967964

HERMES LIMITED

COMPANY INFORMATION

Director	Johannes Franz Burges
Secretary	Old Buildings Nominees Limited
Company Number	2967964
Registered Office	Carmelite 50 Victoria Embankment Blackfriars London EC4Y 0LS
Auditors	Maidment Penney Quick & Co. 61 Chandos Place London WC2N 4HG
Solicitors	Laytons Carmelite 50 Victoria Embankment Blackfriars London EC4Y 0LS
Bankers	Barclays Bank plc 54 Lombard Street London EC3P 3AH

HERMES LIMITED

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HERMES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1996

The director presents his report together with the audited accounts for the year ended 31st December 1996.

Principal Activities and Review of Business

The company's principal activity is the distribution of pharmaceutical products.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The director considers the loss achieved on ordinary activities before taxation to be satisfactory.

The director considers the state of the company's affairs to be satisfactory.

The director does not recommend a dividend.

Director

The director who served during the year and his beneficial interest in the company's issued share capital was:

Ordinary shares of £1 each	
31st December 1996	1st January 1996
-	-

Johannes Franz Burges

Mr Burges and his spouse together wholly own Hermes Pharmazeutischer Preparare Franz Gradinger GmgH & Co, which holds all the 10,000 issued shares in the company.

HERMES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1996

Director's Responsibilities

Company law requires the director to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts the director is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

Auditors

A resolution to reappoint Maidment Penney Quick & Co. Chartered Accountants as auditors will be put to the members at the Annual General Meeting.

This report was approved on *Nov 28, 1997*



Old Buildings Nominees Limited, Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF HERMES LIMITED

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Director and Auditors

As described on page 1 the company's director is responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and 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 director 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 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 the 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 31st December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Maidment Penney Quick & Co.

**Chartered Accountants
and Registered Auditors**

61 Chandos Place

London

WC2N 4HG

Date: 28 November 1997

HERMES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1996

	Notes	1996 £	1995 £
Turnover	2	8,001	-
Cost of Sales		5,784	-
Gross Profit		2,217	-
Administrative Expenses		3,580	-
Operating Loss	3	(1,363)	-
Loss for the Financial Year	6	(1,363)	-

All amounts relate to continuing activities.

There were no recognised gains or losses for 1996 or 1995 other than those included in the profit and loss account.

HERMES LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1996

	Notes	1996	1995
		£	£
Current Assets			
Cash at bank and in hand		<u>9,087</u>	<u>10,000</u>
		<u>9,087</u>	<u>10,000</u>
Creditors: Amounts Falling Due Within One Year	4	<u>450</u>	<u>-</u>
Net Current Assets		<u>8,637</u>	<u>10,000</u>
Total Assets Less Current Liabilities		<u>8,637</u>	<u>10,000</u>
Capital and Reserves			
Share Capital - Equity	5	<u>10,000</u>	<u>10,000</u>
Profit and loss account	6	<u>(1,363)</u>	<u>-</u>
Shareholders' Funds	7	<u>8,637</u>	<u>10,000</u>

These accounts were approved by the board on *Nov 28, 1997* and signed on its behalf.

Johannes Franz Burges
Director



HERMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

2 Turnover

The turnover was derived from the company's principal activity which was carried out in the UK and Europe.

3 Operating Loss

The operating loss is arrived at after charging or crediting:

Auditors' remuneration

1996	1995
£	£
300	-

4 Creditors: Amounts Falling Due Within One Year

Accruals and deferred income

1996	1995
£	£
450	-
450	-

5 Share Capital

Authorised Equity Shares

- Ordinary shares of £1 each

1996	1995
£	£
10,000	10,000
10,000	10,000

Allotted Equity Shares

10,000 Allotted, called up and fully paid ordinary shares of £1 each

10,000	10,000
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HERMES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

6 Reserves

	Profit and Loss Account
	£
Loss for the year	(1,363)
At 31st December 1996	(1,363)

7 Reconciliation of Shareholders' Funds

	1996 £	1995 £
Loss for the financial year	(1,363)	-
Decrease in the shareholders' funds	(1,363)	-
Opening shareholders' funds	10,000	10,000
Closing shareholders' funds	8,637	10,000

8 Ultimate Holding Company

In the opinion of the director, the ultimate holding company is Hermes Pharmazeutischer Präparate Franz Gradinger GmbH & Co, a company registered in Germany.