

Co. 145

G - PHARM LIMITED
ABBREVIATED FINANCIAL STATEMENTS
30TH SEPTEMBER 1999

Registered number: 03107561

BRIAN THOMSON & CO.
CHARTERED ACCOUNTANTS
Lymington



BT & Co.

G - PHARM LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 30th September 1999

CONTENTS

	Page
Auditors' report	1
Abbreviated balance sheet	2
Notes on abbreviated financial statements	3

G - PHARM LIMITED

**Auditors' report to
G - Pharm Limited
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of the company for the year ended 30th September 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

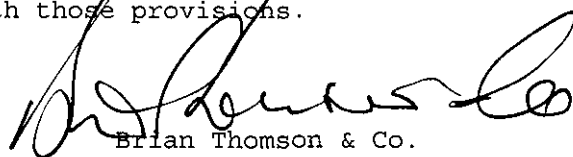
Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.

Lymington
26th June 2000



Brian Thomson & Co.
Registered Auditors
Chartered Accountants

G - PHARM LIMITED

ABBREVIATED BALANCE SHEET

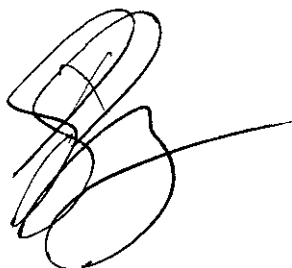
at 30th September 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	2	22,058	-
Current assets			
Debtors		64,476	-
Cash at bank and in hand		5,168	-
		<u>69,644</u>	-
Creditors: amounts falling due within one year		<u>(76,887)</u>	-
Net current liabilities		(7,243)	-
Total assets less current liabilities		<u>14,815</u>	-
Capital and reserves			
Called up share capital	3	130,852	2
Other reserves		77,700	-
Profit and loss account		<u>(193,737)</u>	<u>(2)</u>
Total shareholders' funds		<u>14,815</u>	-

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 3 were approved by the board of directors on 26th June 2000 and signed on its behalf by:

Dr G W Guy
Chairman



G - PHARM LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th September 1999

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	
Fixtures and fittings	20

2 Fixed assets

Cost	Tangible fixed assets £
Additions	27,573
30th September 1999	27,573
Depreciation	
Charge for the year	5,515
30th September 1999	5,515
Net book amount	
30th September 1999	22,058

G - PHARM LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th September 1999

3 Called up share capital

	1999		1998	
	Number of shares	£	Number of shares	£
Authorised				
Authorised share capital - o	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Allotted called up and fully paid				
Authorised share capital - o	<u>130,852</u>	<u>130,852</u>	<u>2</u>	<u>2</u>

4 Post balance sheet events

An agreement was signed on 1st January 2000 between G Pharm Ltd. and G. W. Pharmaceuticals Ltd. whereby G Pharm Ltd. agrees to provide growing services and research as required at cost in return for a future royalty on finished product sales of G. W. Pharmaceuticals Ltd.

5 Related parties

G. Pharm Ltd.'s main trading relationship is with G. W. Pharmaceuticals Ltd. and its' subsidiary Guernsey Pharmaceuticals Ltd. Dr. G. W. Guy and J. D. Gover who are directors of G Pharm Ltd. are also directors and shareholders of G. W. Pharmaceuticals Ltd.

At 30th September 1999 the sum of £ 226 was owed to these companies by G Pharm Ltd. Sales made to these companies by G Pharm Ltd. during the year to 30th September 1999 amounted to £ 106,723