

Andaris Group Limited

Directors' Report and Financial
Statements

Registered Number 3401800
31 December 2002



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DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements, for the year ended 31 December 2002.

Principal Activity and Review of the Business

The principal activity is that of an investment holding company. The company did not trade during the year and is dormant.

Directors

The directors who served during the year were as follows:

R. Uppal

T. S. Chadwick

The directors at 31 December 2002 had no disclosable interests in the share capital of the company or any other group company (2001 : *nil*).

Results and Dividends

The company did not trade during the current or preceding year.

The directors do not recommend the payment of a dividend (2001 : *£nil*).

Subsequent Events

On 10 July 2003, Elan Corporation plc sold 100% of its holding of the ordinary issued share capital of Elan Drug Delivery Limited to Quadrant Technologies Limited. As a consequence, Quadrant Technologies Limited became the ultimate parent company of the company from that date.

By order of the board



D. Lewis
Company Secretary

1 Mere Way
Ruddington
Nottingham
NG11 6JS

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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2002

	Note	2002 £'000	2001 £'000
Amounts written off investments	2	32	-
Sustained deficit for the year	5	<u>(32)</u>	<u>-</u>

All recognised gains and losses are included in the profit and loss account.

BALANCE SHEET
at 31 December 2002

	Note	2002 £'000	2001 £'000
Fixed assets			
Investments	2	-	32
Creditors: amounts falling due within one year	3	(3,787)	(3,787)
Net current liabilities		(3,787)	(3,787)
Net liabilities		(3,787)	(3,755)
Capital and reserves			
Called up share capital	4	12,577	12,577
Share premium account		6,105	6,105
Profit and loss account		(22,469)	(22,437)
Equity shareholders' deficit	5	(3,787)	(3,755)

The directors:

- a) confirm that the company was entitled to exemption under sub-section (1) of section 249AA of the Companies Act 1985 from the requirement to have its accounts for the financial year ended 31 December 2002 audited.
- b) confirm that members have not required the company to obtain an audit of its accounts for that financial year in accordance with sub-section (2) of section 249B of that Act.
- c) acknowledge their responsibilities for:
 - i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - ii) preparing accounts 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 and loss for the financial year in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on 17 DECEMBER 2003 and were signed on its behalf by:


R. Uppal
Director

NOTES

(forming part of the financial statements)

1. Accounting Policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of Preparation

The company is an investment holding company showing net liabilities of £3,787,000. The liabilities are owed to fellow group undertakings.

Investments

Fixed asset investments are shown at cost less any provision for impairment, except for the investment in Quadrant Holdings Cambridge Limited (formerly Quadrant Healthcare (UK) Limited), which is stated at the nominal value of the shares issued as consideration for the purchase.

Cash Flow Statement

As permitted by Financial Reporting Standard No. 1 (Revised), "Cash flow statements", the company has not included a cash flow statement as part of its financial statements because the consolidated financial statements of its ultimate parent company are publicly available.

Consolidated Financial Statements

As permitted by Financial Reporting Standard No. 2 "Accounting for subsidiary undertakings" and Section 228 of the Companies Act 1985, the company has not produced consolidated financial statements, as it is a wholly-owned subsidiary undertaking and its immediate parent undertaking is established under the law of a member state of the European Community.

NOTES (continued)

2. Fixed Asset Investments

	Shares in subsidiary undertakings £000
<i>Cost</i>	
At beginning of year and end of year	19,569
<i>Provisions</i>	
At beginning of year	19,537
Amount written off in year	32
At end of year	19,569
<i>Net book value</i>	
At 31 December 2002	-
At 31 December 2001	32

Following a review of the value of the company's investments, the directors have written them down to nil.

The company has an investment in the following subsidiary undertaking:

	Country of incorporation and operation	Principal activity	Description and proportion of shares held by the company
Quadrant Holdings Cambridge Limited	UK	Intermediate holding company	100% ordinary share capital

3. Creditors: amounts falling due within one year

	2002 £'000	2001 £'000
Amounts owed to other group undertakings	3,787	3,787

NOTES (continued)

4. Called-up Share Capital

	2002 £'000	2001 £'000
<i>Authorised</i>		
27,082,500 "A" ordinary shares of 50p each	13,541	13,541
8,518,518 "B" ordinary shares of 10p each	852	852
	<u>14,393</u>	<u>14,393</u>
	2002 £'000	2001 £'000
<i>Allotted, called-up and fully-paid</i>		
23,450,000 "A" ordinary shares of 50p each	11,725	11,725
8,518,518 "B" ordinary shares of 10p each	852	852
	<u>12,577</u>	<u>12,577</u>

5. Reconciliation of movements in shareholders' funds

	2002 £'000	2001 £'000
Loss for the financial year	(32)	-
Opening shareholders' funds	<u>(3,755)</u>	<u>(3,755)</u>
Closing shareholders' funds	<u>(3,787)</u>	<u>(3,755)</u>

6. Ultimate Parent Undertaking

At 31 December 2002, the company was controlled by Elan Corporation plc, the ultimate parent undertaking, a company registered in Ireland, whose registered office is at Lincoln House, Lincoln Place, Dublin 2.

The company is a wholly owned subsidiary of Quadrant Healthcare (UK) Limited, registered in England and Wales, whose registered office is at 1 Mere Way, Ruddington, Nottingham, NG11 6JS.

The largest and smallest group into which the company's results were consolidated at 31 December 2002 was that headed by Elan Corporation plc. The consolidated financial statements of that group are available to the public and may be obtained from the above address.