

IMPERIAL COLLEGE COMPANY MAKER LIMITED

Directors' Report and Financial Statements

For the sixteen months ended 31 July 1999

Company Number 3509864



IMPERIAL COLLEGE COMPANY MAKER LIMITED

REPORTS AND FINANCIAL STATEMENTS

For the sixteen months ended 31 July 1999

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IMPERIAL COLLEGE COMPANY MAKER LIMITED

DIRECTORS AND OFFICERS

Directors

Dr C J Gee (Chairman)
Dr D Holbrook (Chief Executive)
Prof S Birley
Mr T Sopwith

Secretary

Mrs H Katakwe

Registered Office

Sherfield Building
London SW7 2AZ

Auditors

PricewaterhouseCoopers
No.1 London Bridge
London
SE1 9QL

Solicitors

Rowe & Maw
20 Blackfriars Lane
London EC4V 6HD

Bankers

National Westminster Bank
P.O Box No 592
18 Cromwell Place
London SW7 2LB

IMPERIAL COLLEGE COMPANY MAKER LIMITED

REPORT OF THE DIRECTORS for the sixteen months ended 31 July 1999

The directors submit their report and the financial statements of Imperial College Company Maker Limited for the sixteen months ended 31 July 1999.

Principal Activities

As a wholly owned subsidiary of Imperial College Innovations Limited, Imperial College Company Maker Limited provides mentoring services, including finance expertise and material resources, to new companies based around technologies arising from research at Imperial College of Science, Technology and Medicine.

The directors look forward with confidence to the returns anticipated from the successful commercialisation of the companies that it mentors.

Directors and their interests

The following directors held office during the year:

Dr C J Gee	(Chairman)
Dr D Holbrook	(Chief Executive)
Prof S Birley	
Mr T Sopwith	
Mr M Hansen	(resigned 23 August 1998)
Mr A Jennings	(resigned 23 August 1998)
Mr J MacArthur	(resigned 22 June 1999)
Dr S Thompson	(resigned 22 June 1999)
Dr J Sime	(resigned 22 June 1999)
Dr C Vaughan	(resigned 22 June 1999)

None of the directors held any beneficial interests in the share capital of the company.

Dividends

The directors recommend that no dividend be paid.

Auditors

In accordance with Section 385 of the Companies act 1985 a resolution to reappoint PricewaterhouseCoopers as auditors will be put to the annual general meeting.

Companies Act 1985

The company has taken advantage, in the preparation of the directors' report, of the special exemptions applicable to small companies conferred by Part II of schedule 8 of the Companies Act 1985.

By order of the Board on 26 November 1999



Mrs H. Katakwe
Secretary

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 of the company 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;
- 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 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.

AUDITORS' REPORT TO THE MEMBERS OF IMPERIAL COLLEGE COMPANY MAKER LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of the directors and auditors

The directors are responsible for preparing the Annual Report, including as described on Page 3 of the financial statements, in accordance with applicable United Kingdom Accounting Standards. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit 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.

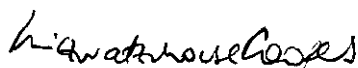
We planned and performed our audit as so to obtain the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurances that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Fundamental Uncertainty - Going Concern

In forming our opinion we have considered the adequacy of disclosures made in the financial statements concerning the basis of preparation. The financial statements have been prepared on a going concern basis and the validity of this depends on the continuing support given to the company by its parent company, Imperial College Innovations Limited. The financial statements do not include any adjustments that would result from a failure to obtain such continuing support. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 July 1999 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers
Chartered Accountants
and Registered Auditors

13th April 2000
No.1 London Bridge
London
SE1 9QL

IMPERIAL COLLEGE COMPANY MAKER LIMITED

PROFIT AND LOSS ACCOUNT for the sixteen months ended 31 July 1999

	Notes	16 Months Ended 31 July 1999
<i>TURNOVER</i>		136,856
Administrative expenses		(249,749)
<i>OPERATING LOSS</i>		(112,893)
<i>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</i>	1	(112,893)
Taxation	8	-
<i>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</i>		(112,893)
Dividends		-
<i>LOSS FOR THE PERIOD</i>		(112,893)

All activities of the Company relate wholly to continuing operations.

The Company has no recognised gains and losses other than those included in the profit above, therefore no separate statement of total recognised gains and losses has been prepared.

There is no difference between the loss on ordinary activities before taxation and the retained loss for the period stated above and their historical cost equivalent.

IMPERIAL COLLEGE COMPANY MAKER LIMITED

BALANCE SHEET as at 31 July 1999

Notes

CURRENT ASSETS

Debtors	3	81,421
Cash at bank		6,559
		87,980

CREDITORS

Amounts falling due within one year	4	(200,871)
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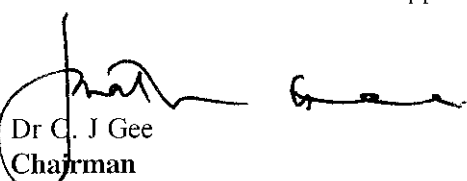
TOTAL ASSETS LESS CURRENT LIABILITIES (112,892)

CAPITAL AND RESERVES

Called up share capital	5	1
Profit and Loss account	6	(112,893)
Shareholders Funds	7	(112,892)

The company has taken advantage, in the preparation of the financial statements, of the special exemptions applicable to small companies conferred by Part I of schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions as a small company.

These financial statements were approved by the board on 26 NOV 1999


Dr C. J. Gee
Chairman

NOTES TO THE FINANCIAL STATEMENTS for the sixteen months ended 31 July 1999

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

The company is exempt from producing consolidated financial statements as it qualifies as a small company under the provisions of Part II of schedule 8 of the companies Act 1985.

TURNOVER

Turnover represents the amounts (excluding value added tax) derived from the provision of mentoring services to companies during the sixteen months.

CASH FLOW STATEMENT

The company is entitled to the exemptions available to small companies under the Companies Act 1985, and therefore no cashflow statement is included in these financial statements.

FUTURE DEVELOPMENTS

The company's operations are expected to continue in the future.

NOTES TO THE FINANCIAL STATEMENTS for the sixteen months ended 31 July 1999 - continued

16 Months Ended
31 July 1999
£

1 *OPERATING LOSS*

Loss on ordinary activities before taxation
is stated after charging:

Auditors' remuneration	2,500
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2 *DIRECTORS' REMUNERATION AND STAFF INFORMATION*

The parent company has provided the company with the services of one director for a charge of £88,061. There are no permanent and temporary staff employed directly by the company. All staff are on secondment or sub-contracted from the parent company.

3 *DEBTORS***Due within one year**

Trade debtors	81,421
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81,421

4 *CREDITORS***Amounts falling due within one year**

Trade creditors	106,338
Amount owed to parent undertaking	85,810
Tax payable	8,723

200,871

5 *SHARE CAPITAL*

Authorised	100
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Ordinary shares of £1 each issued	1
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The authorised share capital of the company is £100 divided into 100 shares of £1 each, of which £100 is not yet paid.

NOTES TO THE FINANCIAL STATEMENTS for the sixteen months ended 31 July 1999 - continued

6 *PROFIT AND LOSS ACCOUNT*

At 1 April 1998	-
Loss for the period	(112,893)
	(112,893)

7 *RECONCILIATION OF MOVEMENTS
ON SHAREHOLDERS FUNDS*

At 1 April 1998	-
Loss for the period	(112,893)
Ordinary Share Capital	1
	(112,892)

8 *TAX NOTE*

There is no current year tax charge in the accounts due to losses in the period.

9 *PARENT COMPANY & ULTIMATE TRADING ORGANISATION*

The parent company is Imperial College Innovations Limited, incorporated in England. The ultimate organisation is Imperial College of Science, Technology & Medicine.

10 *COMPARATIVE FIGURES*

No comparative figures have been included as this is the first financial period for the company.

11 *YEAR 2000*

Many computer systems require modification or replacement to accommodate the year 2000. The company's computer accounting systems have been provided, and are maintained by Imperial College of Science, Technology & Medicine (ICSTM). Resources have been allocated by the ICSTM to ensure that these systems are year 2000 compliant; whilst it is not possible for any organisation to guarantee that no year 2000 problems will remain, ICSTM is confident that any effects have been mitigated. More details can be obtained from ICSTM's Financial Statements.

12 *RELATED PARTY TRANSACTIONS*

The company has taken advantage of the exemption from the requirement to disclose related transactions with the parent company, given on the basis that the parent company owns more than a 90% shareholding in the company.

There were no other related party transactions for the period.

NOTES TO THE FINANCIAL STATEMENTS for the sixteen months ended 31 July 1999 - continued

13 *FINANCIAL SUPPORT*

The company is in a start up situation and relies on its parent company for financial support. The parent company will provide funds as required, including guaranteeing loans and will not be demanding payment or repayment of monies due.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the parent company continuing its support by providing adequate loan facilities.

In view of the above, the directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.