

**ALMEDICA HOLDING COMPANY
UK LIMITED**

Annual report and financial statements

Year ended 31 August 2001



Company number : 3577928

ALMEDICA HOLDING COMPANY UK LIMITED

Annual report and financial statements for the year ended 31 August 2001

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Directors

C L Bullock
Dr R S Todd
Dr E S Neiss

Secretary

N J Goldsmith

Registered office

Unit 107
Tenth Avenue
Deeside Industrial Park
Deeside
Flintshire CH5 2UA

Registered number

3577928

Auditors

BDO Stoy Hayward
Commercial Buildings
11-15 Cross Street
Manchester M2 1WE

ALMEDICA HOLDING COMPANY UK LIMITED

Report of the directors for the year ended 31 August 2001

The directors submit their report together with the financial statements for the year ended 31 August 2001.

Results and dividends

The profit and loss account is set out on page 3 and shows the result for the year. The directors recommend payment of a dividend of £750,000 (2000 £500,000).

Principal activities, trading review and future developments

The principal activity of the company is that of a holding company.

The principal activity of the group is that of contract packaging of clinical trial materials within the pharmaceutical industry and related activities.

Directors

The directors of the company during the year and their interests in the share capital of the company were:

		Ordinary shares of £1 each	
		2001	2000
		£	£
C L Bullock		-	-
Dr R S Todd		-	-
S P Novak	(Resigned 19 January 2001)	-	-
Dr E S Neiss	(Appointed 8 February 2001)	-	-

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 of the company for that year. In preparing those financial statements, the directors are required to:

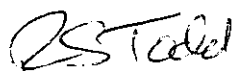
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board



Dr R S Todd
Director

9 November 2001

ALMEDICA HOLDING COMPANY UK LIMITED

Report of the independent auditors

Independent Auditors' Report to the Shareholders of Almedica Holding Company UK Limited

We have audited the financial statements of Almedica Holding Company UK Limited for the year ended 31 August 2001 on pages 3 to 6. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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. 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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.


Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 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 as at 31 August 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Manchester

9 November 2001

ALMEDICA HOLDING COMPANY UK LIMITED**Profit and loss account for the year ended 31 August 2001**

		2001	2000
	Notes	£	£
Income from shares in group undertaking		750,000	500,000
Profit before taxation		<u>750,000</u>	<u>500,000</u>
Taxation on profit on ordinary activities		-	-
Profit for the financial year		<u>750,000</u>	<u>500,000</u>
Dividends	2	750,000	500,000
Retained profit for the financial year		<u>-</u>	<u>-</u>

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

All amounts relate to continuing activities.

There are no movements in shareholders' funds in the current and prior period apart from the result for the year.

The notes on pages 5 and 6 form part of these financial statements.

ALMEDICA HOLDING COMPANY UK LIMITED**Balance sheet at 31 August 2001**

	Notes	£	2001 £	£	2000 £
Fixed assets					
Investments	3		2		2
Current assets					
Debtors – due within one year	4	750,002		500,002	
Creditors: amounts falling due within one year	5	750,002		500,002	
		<u> </u>		<u> </u>	
Net current assets			-		-
Total assets less current liabilities			<u> </u> <u> </u> 2		<u> </u> <u> </u> 2
Capital and reserves					
Called up share capital	6		2		2
Equity shareholders' funds			<u> </u> <u> </u> 2		<u> </u> <u> </u> 2

These financial statements were approved by the Board on 9 November 2001.



Dr R S Todd
Director

The notes on pages 5 and 6 form part of these financial statements.

ALMEDICA HOLDING COMPANY UK LIMITED

Notes forming part of the financial statements for the year ended 31 August 2001

1 Accounting policies

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards. The company is not required to prepare group accounts as it has taken advantage of the exemption conferred by Section 248 of the Companies Act 1985. The financial statements present information about the company as an individual undertaking and not about its group.

The following accounting policies have been applied consistently throughout the year.

Investments

Investments held as fixed assets are stated at cost less any provision for permanent diminution in value.

2 Dividends

	2001 £	2000 £
Ordinary dividend proposed £375,000 per share (2000 £250,000)	750,000	500,000

3 Investments

	£
At beginning and end of year	2

The following were subsidiary undertakings at end of year:

Name	Proportion of voting rights and ordinary share capital held	Nature of business
Almedica Europe Limited	100%	Contract packaging of clinical trial materials

	Aggregate capital and reserves 31 August 2001 £	Profit for year ended 31 August 2001 £
Almedica Europe Limited	3,780,744	1,229,636

ALMEDICA HOLDING COMPANY UK LIMITED

Notes forming part of the financial statements for the year ended 31 August 2001

4 Debtors

	2001 £	2000 £
Amounts receivable within one year:		
Called up share capital not paid	2	2
Dividends receivable from group undertakings	750,000	500,000
	<u>750,002</u>	<u>500,002</u>

5 Creditors: amounts falling due within one year

	2001 £	2000 £
Amounts owed to group undertakings	2	2
Dividends payable to group undertakings	750,000	500,000
	<u>750,002</u>	<u>500,002</u>

6 Share capital

	Authorised		Allotted and called up	
	2001 £	2000 £	2001 £	2000 £
Ordinary shares of £1	<u>1,000</u>	<u>1,000</u>	<u>2</u>	<u>2</u>

7 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is Almedica International Inc, a company incorporated in USA.

The only related party transactions during the year were the receipt of a dividend of £750,000 (2000 £500,000) from and the payment of a dividend of £750,000 (2000 £500,000) to group undertakings.