

**Fulcrum Pharma Developments Limited**  
**Annual report**  
**for the year ended 31 August 2006**

Registered Number 03735819

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# **Fulcrum Pharma Developments Limited**

## **Annual report**

### **for the year ended 31 August 2006**

#### **Contents**

Directors and Advisors	1
Directors' Report for the Year Ended 31 August 2006	2
Independent Auditors' Report to the Members of Fulcrum Pharma Developments Limited	4
Profit and Loss Account for the Year Ended 31 August 2006	5
Balance Sheet as at 31 August 2006	6
Notes to the Financial Statements for the Year Ended 31 August 2006	7

# **Fulcrum Pharma Developments Limited**

## **Directors and Advisors**

### **Directors**

Dr J P Court

Dr J A Devlin

Mr C G G Smith

### **Secretary**

Mrs L Wotherspoon

### **Registered office**

Hemel One

Boundary Way

Hemel Hempstead

Hertfordshire

HP2 7YU

### **Auditors**

PricewaterhouseCoopers LLP

Abacus House

Castle Park

Cambridge

CB3 0AN

### **Solicitors**

PinsentMasons

CityPoint

One Ropemaker Street

London

EC2Y 9AH

# **Fulcrum Pharma Developments Limited**

## **Directors' Report for the Year Ended 31 August 2006**

The directors present their report and the audited financial statements for the year ended 31 August 2006

### **Results**

The retained profit after taxation for the year amounted to £164,000 (2005 loss of £2,000)

### **Dividends**

No interim dividend (2005 £Nil) was paid and the directors do not propose a final dividend

### **Principal activities and review of the business**

The Company's principal activity is, and will continue to be, to offer global virtual drug development and strategic outsourcing services to the pharmaceutical industry

The profit and loss account for the year is set out on page 5 Fee sales have strengthened throughout the year and have increased by 40% over the previous year To enable the Company to execute the additional work, there has been investment, particularly in the second half of the year, in the recruitment of staff, expansion into new offices in Strasbourg and the opening of a new office in Edinburgh Performance has improved over the previous financial year and the directors expect this improvement to continue in the following financial year

The Key Performance Indicators ("KPIs") of the company are fee sales and net cash generation These have been discussed on a Group-wide basis, on pages 10 and 11 of the Group's annual report which does not form part of this report

### **Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks The key business risks and uncertainties affecting the Company are considered to be deterioration of the funding climate for biotech and smaller pharmaceutical companies and changes in health authority regulations which may create additional uncertainty and cost for drug development programmes

### **Directors, officers and directors' interests**

The directors who served during the year are set out below

Dr J P Court

Dr J A Devlin

Mr C G G Smith was appointed a director of the company on 29 March 2007

The position of Company Secretary is held by Mrs L Wotherspoon

None of the directors who held office at the year end had any interest in the shares of the Company at any time during the period

The interests of directors in the shares of Fulcrum Pharma plc, the Company's parent company, are disclosed in the accounts of that company

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs

# Fulcrum Pharma Developments Limited

of the Company and of the profit or 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 judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is not appropriate to presume that the company will continue in business

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and 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

## **Charitable and political contributions**

The Company made charitable contributions to the Multiple Sclerosis Society and to The Fund and Friends of Addenbrooke's of £375 each during the year. The Company made no political contributions during the year

## **Financial risk management**

The financial risks faced by the Company include interest rate risk, currency risk and liquidity. The directors review and agree policies for managing each of these risks

The Company's main objectives in using financial instruments are the maximisation of returns from funds held on deposit and, when appropriate, the generation of additional operating cash resources through financing arrangements for capital assets. The main purpose of these financial instruments is to provide working capital for the Company's operations

The Company's treasury policy, which is approved by the board of directors, is one of conservatism. As a matter of policy the Company does not undertake speculative transactions which would increase its currency or interest rate exposure

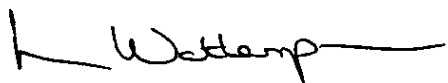
## **Provision of information to auditors**

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware and the directors have taken all the steps that ought to have been taken as directors in order to make themselves aware of any audit information and to establish that the Company's auditors are aware of that information

## **Auditors**

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the annual general meeting

**By order of the Board**



**L Wotherspoon**  
Company Secretary  
4 April 2007

# **Fulcrum Pharma Developments Limited**

## **Independent Auditors' Report to the Members of Fulcrum Pharma Developments Limited**

We have audited the financial statements of Fulcrum Pharma Developments Limited for the year ended 31 August 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions 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**

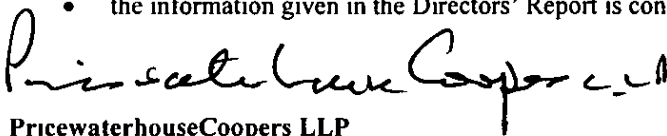
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 August 2006 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
Cambridge  
4 April 2007

# Fulcrum Pharma Developments Limited

## Profit and Loss Account for the Year Ended 31 August 2006

	Note	2006 £'000	2005 £'000
Turnover	2	8,970	7,315
Cost of sales		(7,285)	(6,096)
Gross profit		1,685	1,219
Selling expenses		(310)	(315)
Administrative expenses		(1,210)	(1,070)
Exceptional administrative credit	3	-	239
Other operating income	4	65	-
Operating profit	5	230	73
Interest receivable and similar income	8	20	20
Interest payable and similar charges	9	(86)	(95)
Profit/(loss) on ordinary activities before taxation		164	(2)
Tax on profit/(loss) on ordinary activities	10	-	-
Retained profit/(loss) for the year	20	164	(2)

All amounts above are derived from continuing operations


The company has no recognised gains and losses other than those included in the losses above and therefore no separate statement of total recognised gains and losses has been presented

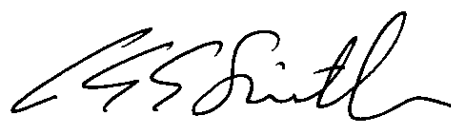
# Fulcrum Pharma Developments Limited

## Balance Sheet as at 31 August 2006

	Note	2006 £'000	2005 £'000
<b>Fixed assets</b>			
Tangible assets	11	364	242
Investments	12	470	172
		<b>834</b>	<b>414</b>
<b>Current assets</b>			
Debtors	13	4,117	3,860
Short term investments	14	507	825
Cash at bank and in hand		172	210
		<b>4,796</b>	<b>4,895</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(3,469)</b>	<b>(3,312)</b>
<b>Net current assets</b>		<b>1,327</b>	<b>1,583</b>
<b>Total assets less current liabilities</b>		<b>2,161</b>	<b>1,997</b>
<b>Creditors: amounts falling due after more than one year</b>	17	<b>(2,500)</b>	<b>(2,500)</b>
Provisions for liabilities and charges	18	-	-
<b>Net liabilities</b>		<b>(339)</b>	<b>(503)</b>
<b>Capital and reserves</b>			
Share capital	19	-	-
Profit and loss account	20	(339)	(503)
<b>Equity shareholders' deficit</b>	20	<b>(339)</b>	<b>(503)</b>

The financial statements on pages 5 to 17 were approved by the Board of directors on 4 April 2007 and signed on its behalf by

  
Jon Court  
Director

  
Geoffrey Smith  
Director



# **Fulcrum Pharma Developments Limited**

## **Notes to the Financial Statements for the Year Ended 31 August 2006**

### **1. Accounting Policies**

#### **Accounting convention**

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and the historical cost convention. A summary of the more important accounting policies, which have been reviewed by the board of directors in accordance with Financial Reporting Standard ("FRS") 18, "Accounting policies" and have been applied consistently, is set out below.

The Company has adopted FRS 21 "Post balance sheet events", the presentational requirements of FRS 25 "Financial Instruments Disclosure and Presentation" and FRS 28 "Corresponding amounts". The adoption of these accounting standards represents a change in accounting policies but there was no effect on the current year or comparative figures. The Company has claimed the exemption from restatement in respect of comparative figures on first implementation of FRS 25.

#### **Going concern**

These financial statements have been prepared on a going concern basis, as the directors have received confirmation from the parent company, Fulcrum Pharma plc, that it will provide financial and operational support to the Company to enable it to carry on its business and to meet its liabilities as they fall due.

#### **Cash Flow Statement**

The company is a wholly owned subsidiary of Fulcrum Pharma plc and is included in the consolidated financial statements of Fulcrum Pharma plc, which are publicly available (see note 24). Consequently the company has taken advantage of the exemption from preparing a Cash Flow Statement under the terms of FRS 1 (Revised).

#### **Turnover and long-term contracts**

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties including passthrough costs of suppliers, except in respect of long-term contracts where turnover represents the sales value of work done in the year, including estimates in respect of amounts not invoiced. Turnover in respect of long-term contracts is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract.

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, on a contract by contract basis by recording turnover and related costs as contract activity progresses. Revenue derived from variations on contracts is recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Milestone payments due under contracted relationships are recorded to revenue when all work related to the milestone is completed.

#### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or, if appropriate, at the forward contract rate.

# Fulcrum Pharma Developments Limited

## Accounting Policies (continued)

### Government grants

Government grants which are granted under job creation schemes are recognised in the profit and loss account on a basis that matches the costs of employment. The grants receivable are credited to the profit and loss account as the criteria for payment of each instalment are met.

### Pensions

The company makes contributions to individual personal pension plans. The contributions are charged to the profit and loss account as they are incurred.

### Deferred taxation

Provision is made for deferred taxation in accordance with FRS 19, "Deferred tax" on all material timing differences. Deferred tax assets are recognised to the extent that they are regarded as recoverable. Deferred tax assets and liabilities are not discounted.

### Financial instruments

The Company's policy is to raise cash when it is required and when market conditions are appropriate, using those financial instruments that can be negotiated with the providers of finance at the time.

The Company finances its operations through a mixture of retained cash reserves, finance leases and bank loans. The policy of the Company is to monitor exposure to interest rate risk and take into account potential movements in interest rates when selecting methods of financing.

The Company has taken the exemption allowed under FRS 13 "Derivatives and financial instruments", and excluded short-term debtors and creditors from its disclosures in the prior year under financial instruments (see Note 21).

### Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful economic life, as follows:

Leasehold Improvements	- over the lease term
Fixtures and fittings	- five years
Computer Equipment	- two-five years

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or circumstances indicate the carrying value may not be recoverable.

### Investments

Fixed asset investments are shown at cost less provision for impairment.

### Finance and operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the profit and loss account. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of equivalent owned assets.

# Fulcrum Pharma Developments Limited

## 2. Turnover

Analysis of turnover by geographical market is given below

	2006 £'000	2005 £'000
United Kingdom	2,332	3,283
Rest of Europe	4,417	3,232
North America	499	375
Japan	1,571	425
Rest of the world	151	-
	<b>8,970</b>	<b>7,315</b>
	2006 £'000	2005 £'000
Fee Sales	4,366	3,120
Passthrough costs	4,604	4,195
	<b>8,970</b>	<b>7,315</b>

In the opinion of the Directors, the disclosure of the profit before taxation and net assets by geographical segment and turnover, profit before taxation and net assets by class of business would be prejudicial to the interests of the Company, and this information has not been disclosed

## 3. Exceptional Item

In 2005, the Company recorded an exceptional credit to administrative expenses of £239,000. The exceptional credit represented the income from the surrender of the lease on the UK office, less the costs associated with relocation to new premises.

## 4. Other operating income

	2006 £'000	2005 £'000
Government grants	65	-

The Company has been awarded a grant by the Scottish Development Agency under Aid for Job Creation of up to £150,000. The grant is receivable in three instalments within a period of 18 months from 6 March 2006 on condition that at least twelve full-time jobs are created.

# Fulcrum Pharma Developments Limited

## 5. Operating profit

This is stated after charging

	2006 £'000	2005 £'000
Auditors remuneration	13	17
Depreciation of tangible fixed assets – owned assets	114	109
- leased assets	9	15
Loss on disposal of fixed assets	15	-
Operating lease rentals		
Land and buildings	169	175

## 6. Directors' emoluments

	2006 £'000	2005 £'000
Basic salaries	223	209
Company contributions paid to money purchase pension schemes	20	16
	243	225

	2006 Number	2005 Number
Members of money purchase pension schemes	3	2

### Highest paid Director

	2006 £'000	2005 £'000
Gross salary	115	108
Company contributions paid to money purchase pension schemes	9	7
	124	115

# Fulcrum Pharma Developments Limited

## 7. Staff costs

	2006 £'000	2005 £'000
Wages and salaries	1,887	1,554
Social security costs	244	205
Pension costs	141	111
	<b>2,272</b>	<b>1,870</b>

The average number of employees including executive directors during the year was

By activity	2006 Number	2005 Number
Project management	18	13
Sales and administration	6	6
	<b>24</b>	<b>19</b>

## 8. Interest receivable and similar income

	2006 £'000	2005 £'000
Bank interest	20	19
Other interest	-	1
	<b>20</b>	<b>20</b>

## 9. Interest payable and similar charges

	2006 £'000	2005 £'000
On loans from parent company	84	93
On bank loans and overdrafts	1	1
On finance leases	1	1
	<b>86</b>	<b>95</b>

# Fulcrum Pharma Developments Limited

## 10. Tax on profit/(loss) on ordinary activities

	2006 £'000	2005 £'000
<b>Current taxation</b>		
UK Corporation tax	-	-
	-	-
<b>Deferred taxation</b>		
Deferred taxation (see note 18)	-	-
<b>Current tax credit for the year</b>	-	-

### Current taxation

The tax credit for the year differs from the standard rate of corporation tax in the UK of 30% (2005 30%)  
The differences are explained below

	2006 £'000	2005 £'000
<b>Profit/(loss) on ordinary activities before taxation</b>	<b>164</b>	<b>(2)</b>
Profit/(loss) on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 30% (2005 30%)	49	(1)
Effects of		
Expenses not deductible for tax purposes	1	2
Depreciation in excess of capital allowances	(9)	20
Research & development tax credits	(112)	(77)
Group relief	45	3
Exceptional credit in excess of capital gain	-	(23)
Losses carried forward	26	76
<b>Current tax charge for year</b>	<b>-</b>	<b>-</b>

# Fulcrum Pharma Developments Limited

## 11. Tangible fixed assets

	Leasehold Improvements £'000	Computers and office fixtures and fittings £'000	Total £'000
<b>Cost</b>			
At 1 September 2005	134	383	517
Additions	13	247	260
Disposals	-	(37)	(37)
<b>At 31 August 2006</b>	<b>147</b>	<b>593</b>	<b>740</b>
<b>Depreciation</b>			
At 1 September 2005	57	218	275
Charge for the year	24	99	123
Disposals	-	(22)	(22)
<b>At 31 August 2006</b>	<b>81</b>	<b>295</b>	<b>376</b>
<b>Net book value</b>			
<b>At 31 August 2006</b>	<b>66</b>	<b>298</b>	<b>364</b>
At 31 August 2005	77	165	242

The net book value of assets held under finance leases is £nil (2005 £37,000)

## 12. Investments

	£'000
<b>Cost</b>	
At 1 September 2005	172
Additions	298
<b>At 31 August 2006</b>	<b>470</b>

The investments represent equity shares in trade investments at cost in Addex Pharmaceuticals SA and in Nanocarrier Co Ltd which was acquired during the year. The Directors are satisfied that the investments are not impaired.

# Fulcrum Pharma Developments Limited

## 13. Debtors

	2006 £'000	2005 £'000
Trade debtors	816	910
Amount owed by group undertaking	2,130	2,156
Other debtors	23	36
Prepayments and accrued income	1,148	758
	<b>4,117</b>	<b>3,860</b>

## 14. Short term investments

Short term investments comprise fixed rate deposits with banks which are not repayable on demand

## 15. Creditors: amounts falling due within one year

	2006 £'000	2005 £'000
Loans and obligations under finance leases (see note 16)	-	37
Trade creditors	457	658
Amounts owed to group undertaking	1,400	1,669
Other taxes and social security costs	91	64
Other creditors	4	3
Accruals and deferred income	1,517	881
	<b>3,469</b>	<b>3,312</b>

## 16. Bank and other borrowings due within one year

	2006 £'000	2005 £'000
Unsecured bank loan	-	18
Finance leases	-	19
	<b>-</b>	<b>37</b>



# Fulcrum Pharma Developments Limited

## 17. Creditors: amounts falling due after more than one year

	2006 £'000	2005 £'000
Amounts owed to parent undertaking	2,500	2,500

Interest is payable on the loan from the parent company at UK base rate, which is unsecured. There is no fixed term for repayment of the loan.

## 18. Provisions for liabilities and charges

The movement in the deferred taxation provision is as follows

	2006 £'000	2005 £'000
At 1 September 2005 and at 31 August 2006	-	-

At 31 August 2005, the deferred tax assets/(liabilities) were as follows

	Amount provided 2006 £'000	Amount provided 2005 £'000	Amount unprovided 2006 £'000	Amount unprovided 2005 £'000
Tax effect of timing differences because of				
Difference between capital allowances and depreciation	(15)	3	-	(28)
Tax losses	15	(3)	327	331
	-	-	327	303

The potential deferred tax asset in respect of cumulative losses has not been recognised in these financial statements as there is no immediate prospect of these being utilised.

## 19. Share capital

	2006 Number	2006 £'000	2005 Number	2005 £'000
Authorised				
Ordinary shares of £1 each	1,000	1	1,000	1
	2006 Number	2006 £'000	2005 Number	2005 £'000
Authorised, called up and fully paid				
Ordinary shares of £1 each	375	-	375	-

# Fulcrum Pharma Developments Limited

## 20. Reconciliation of movements on reserves and shareholders' deficit

	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 1 September 2005	-	(503)	(503)
Profit for the year	-	164	164
At 31 August 2006	-	(339)	(339)

## 21. Financial instruments

Short term debtors, creditors, accruals and prepayments have been excluded from the disclosures below, except the current portion of bank loans and overdrafts, finance lease obligations and loan notes

### Interest rate profile of the Company's financial liabilities

	2006 £'000	2005 £'000
Bank loans	-	18
Obligations under finance leases	-	19
<b>Financial liabilities</b>	<b>-</b>	<b>37</b>

The total of the obligations under finance leases outstanding at 31 August 2006 was £nil (2005 £19,000) with a weighted average outstanding period of seven months in 2005 and a weighted average interest rate of 7% (2005 6.38%). The total amount of bank loans outstanding at 31 August 2006 was £nil (2005 £18,000). The bank loan incurred interest at rates of 2.25% above the base rate of National Westminster Bank plc.

The Company had unused borrowing facilities of £nil at 31 August 2006 (2005 £nil).

### Interest rate profile of the Company's financial assets

	Sterling 2006 £'000	Yen 2006 £'000	US Dollar 2006 £'000	Euro 2006 £'000	Total 2006 £'000
Short term deposits	393	-	51	64	508
Cash at bank and in hand	41	24	9	97	171
<b>Financial assets</b>	<b>434</b>	<b>24</b>	<b>60</b>	<b>161</b>	<b>679</b>

## Fulcrum Pharma Developments Limited

	Sterling 2005 £'000s	Yen 2005 £'000s	US Dollar 2005 £'000s	Euro 2005 £'000s	Total 2005 £'000s
Short term deposits	67	-	456	301	824
Cash at bank and in hand	84	-	4	122	210
<b>Financial assets</b>	<b>151</b>	<b>-</b>	<b>460</b>	<b>423</b>	<b>1,034</b>

The Company maintains sterling, euro, US dollar and yen accounts in which all cash and bank balances are held. Cash and bank balances represent floating rate cash held in current accounts and deposit accounts with banks at interest rates based on interbank rates. Short term deposits represent fixed rate deposits placed with major clearing banks for up to three months earning interest at rates of 1.52%-4.20% (2005 3.35%-4.39%).

### 22. Commitments under operating leases to pay rentals for the next year

At 31 August 2006 the company had annual commitments under operating leases expiring as set out below

	2006 £'000	2005 £'000
<b>Operating leases which expire</b>		
<b>Land and Buildings</b>		
In one year or less	56	10
In two to five years inclusive	23	-
	<b>79</b>	<b>10</b>

### 23. Pensions

The company makes contributions to individual personal pension plans. The total charge for the year was £141,000 (2005 £111,000). There are unpaid contributions outstanding at the year end of £26,000 (2005 £9,000).

### 24. Ultimate parent undertaking

The Company is a wholly owned subsidiary of Fulcrum Pharma plc. Fulcrum Pharma plc has included the Company in its group accounts which may be obtained from Hemel One, Boundary Way, Hemel Hempstead, Hertfordshire HP2 7YU.

### 25. Related party transactions

The company has taken advantage of the exemption available to parent companies under FRS 8, "Related party disclosures", where transactions and balances between group companies have been eliminated on consolidation, not to disclose details of those transactions.