

Gendaq Limited

Report and Financial Statements

31 December 2005



Gendaq Limited

Registered No 3756817

Directors

Mr E Lanphuer
Mr J W Larson

Secretary

WCPHD Secretaries Limited

Auditors

Ernst & Young LLP
Compass House
80 Newmarket Road
Cambridge
CB5 8DZ

Bankers

Barclays Bank plc
28 Chesterton Road
Cambridge
CB4 3UT

Solicitors

Brobeck Hale & Dorr
Alder Caste
10 Noble Street
London
EC2V 7QS

Registered office

Fifth Floor
Alder Castle
10 Noble Street
London
EC2V 7QJ

Directors' report

The directors present their report and financial statements for the year ended 31 December 2005

Principal activities

All trading ceased in October 2002 when research projects were completed

Directors

The directors who served the company during the year were as follows

Mr E Lanphuer
Mr J W Larson

There are no director's interests requiring disclosure under the Companies Act 1985

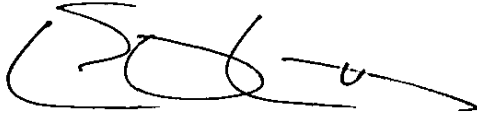
Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

On behalf of the board



Mr E Lanphuer
Director

August 6, 2007

Statement of directors' responsibilities in respect of the financial statements

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 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, and
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GENDAQ LIMITED

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, and the related notes 1 to 8. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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 International Standards on Auditing (UK and Ireland).

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 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.

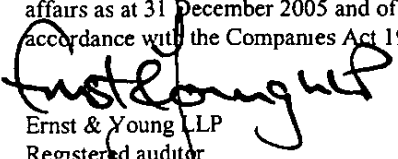
Basis of audit opinion

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 judgments 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 applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered auditor
Cambridge

 9 August 2007

Profit and loss account

for the year ended 31 December 2005

	Notes	2005 £	2004 £
Administrative expenses		(5,091)	(13,277)
Operating loss	2	(5,091)	(13,277)
Interest receivable	3	70,761	61,406
Profit on ordinary activities before taxation		65,670	48,129
Tax on profit on ordinary activities		12,495	6,350
Profit retained for the financial year		53,175	41,779

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £53,175 attributable to the shareholders for the year ended 31 December 2005 (2004 - profit of £41,779)

Balance sheet at 31 December 2005

	Notes	2005 £	2004 £
Current assets			
Debtors	4	342,515	374,883
Cash at bank		1,838,603	1,768,531
		<u>2,181,118</u>	<u>2,143,414</u>
Creditors amounts falling due within one year	5	5,029	20,500
		<u>2,176,089</u>	<u>2,122,914</u>
Net current assets			
		<u>2,176,089</u>	<u>2,122,914</u>
Total assets less current liabilities		<u>2,176,089</u>	<u>2,122,914</u>
Capital and reserves			
Called up share capital	6	18,642	18,642
Share premium account	7	5,929,474	5,929,474
Profit and loss account	7	(3,772,027)	(3,825,202)
		<u>2,176,089</u>	<u>2,122,914</u>
Shareholders' funds	7	<u>2,176,089</u>	<u>2,122,914</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985



Mr E Lanphier
Director

August 6, 2007

Notes to the financial statements

at 31 December 2005

1 Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention

Cash flow statement

The company has taken advantage of the concession in FRS 1 "Cash Flow Statements" which exempts a company from the requirement to prepare a statement of cash flows on the grounds that the company is small as defined in companies legislation

Related parties transactions

The company is a wholly owned subsidiary of Sangamo Biosciences Inc, the consolidated accounts of which are publicly available

Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the Sangamo Biosciences Inc group

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

2. Operating loss

This is stated after charging

	2005 £	2004 £
Audit of the annual financial statements	5,000	3,500
Directors' emoluments	-	-
	<u>-</u>	<u>-</u>
Net loss on foreign currency translation	-	5,764
	<u>-</u>	<u>5,764</u>

Remuneration paid to the directors of the company is borne by Sangamo Biosciences Inc

3. Interest receivable

	2005 £	2004 £
Bank interest receivable	<u>70,761</u>	<u>61,406</u>

Notes to the financial statements

at 31 December 2005

4. Debtors

	2005 £	2004 £
Amounts owed by group undertakings	304,823	328,474
Corporation tax repayable	37,692	46,409
	<u>342,515</u>	<u>374,883</u>

5 Creditors: amounts falling due within one year

	2005 £	2004 £
Accounts payable	29	-
Accruals and deferred income	5,000	20,500
	<u>5,029</u>	<u>20,500</u>

6. Share capital

	2005 £	Authorised 2004 £
Ordinary shares of £0.01 each	6,000	6,000
A Ordinary shares of £0.01 each	4,000	4,000
B Ordinary shares of £0.01 each	12,500	12,500
	<u>22,500</u>	<u>22,500</u>

	No	2005 £	No	2004 £
Ordinary shares of £0.01 each	375,000	3,750	375,000	3,750
A Ordinary shares of £0.01 each	250,000	2,500	250,000	2,500
B Ordinary shares of £0.01 each	1,239,228	12,392	1,239,228	12,392
		<u>18,642</u>		<u>18,642</u>

7. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Share premium account £	Profit and loss account £	Total share- holders' funds £
At 31 December 2003	18,642	5,929,474	(3,866,981)	2,081,135
Profit for the year	-	-	41,779	41,779
At 31 December 2004	18,642	5,929,474	(3,825,202)	2,122,914
Profit for the year	-	-	53,175	53,175
At 31 December 2005	<u>18,642</u>	<u>5,929,474</u>	<u>(3,772,027)</u>	<u>2,176,089</u>

Notes to the financial statements

at 31 December 2005

8. Ultimate parent company

The company's immediate parent undertaking is Sangamo Biosciences Inc registered in the United States of America. It has included the company in its group accounts, copies of which are available from 501 Canal Boulevard, Suite A100 Richmond, CA 94804.

In the directors' opinion, Sangamo Biosciences Inc is also the company's ultimate parent undertaking.