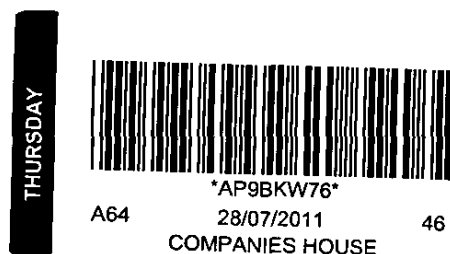


COMPANY REGISTRATION NUMBER 04295590

ABCELLUTE LIMITED
FINANCIAL STATEMENTS
30 SEPTEMBER 2010



HEBBLETHWAITES
Chartered Accountants & Statutory Auditor
2 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

ABCELLUTE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2010

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ABCELLUTE LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr G B Black (Resigned 10 February 2011) Dr P J Evans (Resigned 3 June 2010) Dr B J N Griffiths Dr D J F Griffiths Dr D A A Owen, OBE (Resigned 20 September 2010)
Registered office	Cardiff Medicentre Heath Park Cardiff CF14 4UJ
Auditor	Hebblethwaites Chartered Accountants & Statutory Auditor 2 Westbrook Court Sharrow Vale Road Sheffield S11 8YZ

ABCELLUTE LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2010

The directors present their report and the financial statements of the company for the year ended 30 September 2010

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was development and marketing of applications for SureTran gel which extends the life of human and other cells for biomedical research

DIRECTORS

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

Mr G B Black
Dr P J Evans
Dr B J N Griffiths
Dr D J F Griffiths
Dr D A A Owen, OBE

Dr P J Evans resigned as a director on 3 June 2010
Dr D A A Owen, OBE resigned as a director on 20 September 2010
Mr S A Gall was appointed as a director on 24 March 2011
Mr G B Black resigned as a director on 10 February 2011

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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,
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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

ABCELLUTE LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2010

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITOR

Hebblethwaites are deemed to be re-appointed under section 487(2) of the Companies Act 2006

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
Cardiff Medicentre
Heath Park
Cardiff
CF14 4UJ

Signed by order of the directors



Mr S A Gall

Director

Approved by the directors on

26 July 2011

ABCELLUTE LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ABCELLUTE LIMITED
YEAR ENDED 30 SEPTEMBER 2010

We have audited the financial statements of Abcellute Limited for the year ended 30 September 2010 on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £194,607 during the period ended 30 September 2010 and at that date, the company's total liabilities exceeded its total assets by £370,177. These conditions along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

ABCELLUTE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABCELLUTE LIMITED (continued)

YEAR ENDED 30 SEPTEMBER 2010

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



MR R W MURDOCH (Senior Statutory Auditor)

For and on behalf of
HEBBLETHWAITES
Chartered Accountants
& Statutory Auditor

2 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

27.7.2011

ABCELLUTE LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2010

	Note	2010 £	2009 £
TURNOVER		105,354	67,748
Cost of sales		<u>49,633</u>	<u>20,870</u>
GROSS PROFIT		55,721	46,878
Administrative expenses		<u>248,856</u>	<u>210,307</u>
OPERATING LOSS	2	(193,135)	(163,429)
Interest receivable		171	319
Interest payable and similar charges		<u>(1,643)</u>	<u>(9,434)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(194,607)</u>	<u>(172,544)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(194,607)</u>	<u>(172,544)</u>
Balance brought forward		<u>(1,316,281)</u>	<u>(1,143,737)</u>
Balance carried forward		<u>(1,510,888)</u>	<u>(1,316,281)</u>

The notes on pages 8 to 11 form part of these financial statements

ABCELLUTE LIMITED

BALANCE SHEET

30 SEPTEMBER 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible assets	3	<u>18,747</u>	<u>9,240</u>
CURRENT ASSETS			
Debtors	4	61,606	18,269
Cash at bank		<u>72,645</u>	<u>27,106</u>
		134,251	45,375
CREDITORS: Amounts falling due within one year	5	<u>69,064</u>	<u>42,740</u>
NET CURRENT ASSETS		<u>65,187</u>	<u>2,635</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>83,934</u>	<u>11,875</u>
CREDITORS: Amounts falling due after more than one year	6	<u>454,111</u>	<u>187,445</u>
		<u>(370,177)</u>	<u>(175,570)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8	3,677	3,677
Share premium account	9	1,137,034	1,137,034
Profit and loss account		<u>(1,510,888)</u>	<u>(1,316,281)</u>
DEFICIT		<u>(370,177)</u>	<u>(175,570)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on **26.7.2011**, and are signed on their behalf by


MR S A GALL

Company Registration Number 04295590

The notes on pages 8 to 11 form part of these financial statements

ABCELLUTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Going concern

The company recorded a loss for the year of £194,607 and has net liabilities of £370,177 at 30 September 2010. The directors have assessed the balance sheet and likely future cash flows of the company at the date of approving the financial statements.

The company meets its day to day working capital requirements through a current account with a fellow subsidiary company. The continuing operations of the group depend on securing additional financial investment.

The directors have a reasonable expectation that the company will generate sufficient sales to bring the company to profitability and that the company has access to adequate resources for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

The geographical analysis of turnover as a percentage is as follows: United Kingdom 89% (2010 86%), Overseas 11% (2010 14%).

Research and development

Research and development expenditure is written off in the year in which it is incurred.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Laboratory equipment	- 25% straight line
Fixtures & Fittings	- 15% straight line
Office equipment	- 33% straight line

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ABCELLUTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2010

2. OPERATING LOSS

Operating loss is stated after charging

	2010 £	2009 £
Directors' remuneration	50,000	81,200
Research and development expenditure	146,548	111,694
Depreciation of owned fixed assets	7,411	6,041
Auditor's fees	<u>2,850</u>	<u>—</u>

3. TANGIBLE FIXED ASSETS

	Laboratory Equipment £	Fixtures & Fittings £	Office Equipment £	Total £
COST				
At 1 October 2009	22,821	3,840	2,340	29,001
Additions	<u>12,005</u>	<u>3,001</u>	<u>1,912</u>	<u>16,918</u>
At 30 September 2010	<u>34,826</u>	<u>6,841</u>	<u>4,252</u>	<u>45,919</u>
DEPRECIATION				
At 1 October 2009	16,284	1,458	2,019	19,761
Charge for the year	<u>6,173</u>	<u>528</u>	<u>710</u>	<u>7,411</u>
At 30 September 2010	<u>22,457</u>	<u>1,986</u>	<u>2,729</u>	<u>27,172</u>
NET BOOK VALUE				
At 30 September 2010	<u>12,369</u>	<u>4,855</u>	<u>1,523</u>	<u>18,747</u>
At 30 September 2009	<u>6,537</u>	<u>2,382</u>	<u>321</u>	<u>9,240</u>

4. DEBTORS

	2010 £	2009 £
Trade debtors	25,382	16,960
Amounts owed by group undertakings	30,300	—
Other debtors	<u>5,924</u>	<u>1,309</u>
	<u>61,606</u>	<u>18,269</u>

The debtors above include the following amounts falling due after more than one year

	2010 £	2009 £
Amounts owed by group undertakings	<u>30,300</u>	<u>—</u>

ABCELLUTE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2010

5. CREDITORS: Amounts falling due within one year

	2010	2009
	£	£
Bank loans and overdrafts	22,160	18,292
Trade creditors	22,200	3,932
Other taxation	339	901
Other creditors	24,365	19,615
	<u>69,064</u>	<u>42,740</u>

The bank loan is repayable by July 2017 with interest payable at 3% over base rate. The loan of £43,706 is secured by a guarantee given by a share warrant holder of the company.

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2010	2009
	£	£
Bank loans and overdrafts	<u>22,160</u>	<u>18,292</u>

6. CREDITORS: Amounts falling due after more than one year

	2010	2009
	£	£
Bank loans and overdrafts	37,535	42,201
Amounts owed to group undertakings	416,576	–
Other creditors	–	145,244
	<u>454,111</u>	<u>187,445</u>

Unsecured convertible loan notes (2009 £ 145,244) were transferred to Abcellute Holdings Limited during the year.

All transactions in relation to Abcellute Holdings Ltd, are dealt with through the company's current account. The amount owing to Abcellute Holdings Ltd is not required to be repaid within one year.

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2010	2009
	£	£
Bank loans and overdrafts	37,535	42,201
Other creditors	–	145,244
	<u>37,535</u>	<u>187,445</u>

ABCELLUTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2010

7. RELATED PARTY TRANSACTIONS

The company provides banking facilities for Abcellute Holdings Limited and Abcellute Tissue Bank. At 30 September 2010 £30,300 was owed by Abcellute Tissue Bank and £416,576 was owed to Abcellute Holdings Limited in this respect. These amounts are interest free and not repayable within one year.

The company operates the payroll for Abcellute Holdings Limited and Abcellute Tissue Bank and recharged £16,188 to Abcellute Holdings Limited and £39,426 to Abcellute Tissue Bank during the year for salary costs.

8. SHARE CAPITAL

Authorised share capital:

	2010 £	2009 £
124,814 'A' Ordinary shares of £0.01 each	1,248	1,248
275,962 'Z' Deferred shares of £0.01 each	2,760	2,760
	<u>4,008</u>	<u>4,008</u>

Allotted, called up and fully paid:

	2010 No	£	2009 No	£
91,709 'A' Ordinary shares of £0.01 each	91,709	917	91,709	917
275,962 'Z' Deferred shares of £0.01 each	275,962	2,760	275,962	2,760
	<u>367,671</u>	<u>3,677</u>	<u>367,671</u>	<u>3,677</u>

As part of the group restructuring, share options have been transferred to Abcellute Holdings Limited during the year.

9. RESERVES

	Share premium account £	Profit and loss account £
Balance brought forward	1,137,034	(1,316,281)
Loss for the year	–	(194,607)
Balance carried forward	<u>1,137,034</u>	<u>(1,510,888)</u>