

Registered no. 4344782

MEDICAL DEVICE INNOVATIONS LIMITED

**ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2002**



**ALLWOODS
37 / 43 WHITE FRIARS
CHESTER
CHESHIRE
CH1 1QD**

MEDICAL DEVICE INNOVATIONS LIMITED

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MEDICAL DEVICE INNOVATIONS LIMITED

AUDITORS' REPORT TO MEDICAL DEVICE INNOVATIONS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of the company for the period ended 31 December 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Allwoods

ALLWOODS
Registered Auditors

Date: 31 March 2003

37 / 43 WHITE FRIARS
CHESTER
CHESHIRE

MEDICAL DEVICE INNOVATIONS LIMITED

ABBREVIATED BALANCE SHEET AT 31 DECEMBER 2002

	Note	2002
		£
FIXED ASSETS	2	
Tangible assets		2,060
CURRENT ASSETS		
Debtors and prepayments		63,894
Cash at bank and in hand		128,034
		<u>191,928</u>
CREDITORS		
Amounts falling due within one year		<u>14,804</u>
NET CURRENT ASSETS		<u>177,124</u>
NET ASSETS		<u>179,184</u>
CAPITAL AND RESERVES		
Called up share capital	3	575
Share premium account		499,501
Profit and loss account		(320,892)
SHAREHOLDERS' FUNDS		<u>179,184</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board
ON BEHALF OF THE BOARD


.....
MR D COTTIER - DIRECTOR

Date: 4. 3. 03.

The notes on pages 3 to 5 form part of these financial statements.

MEDICAL DEVICE INNOVATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied within the same accounts.

Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Office equipment	- Straight line over 3 years.
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Deferred Taxation

Deferred taxation arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company accounts. Deferred taxation is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Research and Development

Expenditure on research and development is written off against profits for the period in which it is incurred.

MEDICAL DEVICE INNOVATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2002

2. FIXED ASSETS

	Tangible fixed assets £
Cost	
At 24 December 2001	-
Additions	2,196
Disposals	-
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At 31 December 2002	2,196
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Depreciation	
At 24 December 2001	-
Charge for the period	136
Disposals	-
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At 31 December 2002	136
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Net book value	
At 31 December 2002	2,060
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3. DEBTORS

Debtors include an amount of £55,433 falling due after more than one year.

MEDICAL DEVICE INNOVATIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2002

4. SHARE CAPITAL

	2002 £
Authorised	
1,500 ordinary shares of 10 pence each	150
48,500 A ordinary shares of 10 pence each	4,850
	<hr/>
	5,000
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Allotted, called up and fully paid	
750 ordinary shares of 10 pence each	75
5,001 A ordinary shares of 10 pence each	500
	<hr/>
	575
	<hr/>

In the event of a return of assets the holders of A Ordinary shares are entitled to repayment of the amount of any premium paid thereon and the par value of such shares in priority to any premium paid on the Ordinary shares and the par value of the Ordinary shares; any balance of net assets is distributable amongst the shareholders pari passu pro rata to the number of shares held.

On 24 December 2001 1 Ordinary share of £1 was issued at par.

On 11 January 2002 74 Ordinary shares of £1 were issued at par.

On 21 January 2002 Ordinary shares of £1 were subdivided into 10 Ordinary shares of 10p.

On 21 January 2002 2,000 A Ordinary shares of 10p were issued for £100 each.

On 4 March 2002 1,000 A Ordinary shares of 10p were issued for £100 each.

On 23 July 2002 667 A Ordinary shares of 10p were issued for £99.95 each.

On 25 July 2002 667 A Ordinary shares of 10p were issued for £99.95 each.

On 1 August 2002 667 A Ordinary shares of 10p were issued for £99.95 each.

5. GOING CONCERN

The financial statements have been prepared on a going concern basis. The directors believe that Avlar Bioventures, Johnson and Johnson Capital Limited and Prelude Ventures Limited will continue to make funds available to the company; accordingly they consider that the going concern basis is appropriate for these accounts.