

**Company Registration No. 5413008**

**IPSO MANAGEMENT LIMITED**

**Report and Financial Statements**

**30 April 2009**



**( - 07/10/2009)**

# **IPSO MANAGEMENT LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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# **IPSO MANAGEMENT LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

S D Hunt  
P N Rodgers  
S N Haworth

#### **SECRETARY**

Cargil Management Services Ltd

#### **REGISTERED OFFICE**

Elizabeth House  
39 York Road  
London SE1 7NQ

#### **AUDITORS**

Deloitte LLP  
Chartered Accountants and Registered Auditors  
Cambridge

# **IPSO MANAGEMENT LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the financial statements of the company for the year ended 30 April 2009.

The directors' report has been prepared in accordance with the provision applicable to companies entitled to the small companies exemption.

## **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was the commercialisation of intellectual property and the provision of related advice and services. The company operates principally in the United Kingdom.

The results for the year show a loss of £695,717 (2008 - loss of £690,552). The directors consider these results as acceptable for the year.

## **GOING CONCERN**

These financial statements have been prepared on the going concern basis for the reason set forth in note 1 to the financial statements.

## **SUBSEQUENT EVENTS**

The company invested an additional £67,500 in Medermica Limited in May 2009.

## **DIVIDENDS**

No dividend has been paid in respect of the year ended 30 April 2009 (2008 - nil).

## **DIRECTORS OF THE COMPANY**

The directors who served the company throughout the year were as follows:

S D Hunt  
P N Rodgers  
S N Haworth

## **DIRECTORS' INDEMNITIES**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

## **CHARITABLE DONATIONS**

During the year the company did not make any charitable or political donations.

## **AUDITORS**

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on its behalf by:

*For and on behalf of*  
Cargil Management Services Ltd

Sec **CARGIL MANAGEMENT SERVICES LTD**

## **IPSO MANAGEMENT LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual 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 these 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 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IPSO MANAGEMENT LIMITED**

We have audited the financial statements of IPSO Management Limited for the year ended 30 April 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, 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 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**

As explained more fully in the Directors' Responsibilities Statement, 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 the 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 April 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IPSO MANAGEMENT LIMITED (continued)**

### **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.



**Stuart Henderson (Senior Statutory Auditor)**  
**For and on behalf of Deloitte LLP**  
Chartered Accountants and Statutory Auditors  
Cambridge, United Kingdom

*12 November 2009*

# IPSO MANAGEMENT LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 30 April 2009

	Note	2009 £	2008 £
<b>REVENUE</b>	2	27,374	3,225
<b>Administrative expenses</b>			
Share based payment charges	13	(25,059)	(34,241)
Other		(782,621)	(860,015)
<b>OPERATING LOSS</b>	3	(780,306)	(891,031)
Interest receivable and similar income	5	85,156	200,073
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(695,150)	(690,958)
Tax on loss on ordinary activities	6	(567)	406
<b>LOSS FOR THE FINANCIAL YEAR</b>	14	(695,717)	(690,552)

All activities derive from continuing operations.

The company has no recognised gains or losses other than the results for the year and the prior year as set out above.

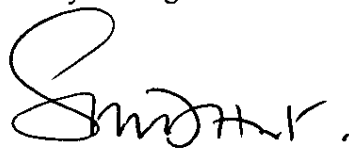


**BALANCE SHEET**  
**30 April 2009**

	Note	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	7	9,410	9,121
Investments	8	1,866,463	1,222,028
		<u>1,875,873</u>	<u>1,231,149</u>
<b>CURRENT ASSETS</b>			
Debtors	9	156,252	160,216
Cash on deposit		902,287	1,300,000
Cash at bank and in hand		245,070	1,364,648
		<u>1,303,609</u>	<u>2,824,864</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(5,161,466)</u>	<u>(5,342,847)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(3,857,857)</u>	<u>(2,517,983)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(1,981,984)</u>	<u>(1,286,834)</u>
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	11	<u>(651)</u>	<u>(84)</u>
<b>NET LIABILITIES</b>		<u><u>(1,982,635)</u></u>	<u><u>(1,286,918)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	1,177	1,177
Profit and loss account	14	<u>(1,983,812)</u>	<u>(1,288,095)</u>
<b>SHAREHOLDERS' DEFICIT</b>	14	<u><u>(1,982,635)</u></u>	<u><u>(1,286,918)</u></u>

These financial statements were approved by the Board of Directors and authorised for issue on

They were signed on its behalf by:



S D Hunt

Director

17 Apr, 2009

# **IPSO MANAGEMENT LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 30 April 2009**

### **1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **Going concern**

The directors have reviewed the going concern basis of preparation, in accordance with FRS 18 'Accounting policies'.

They have considered the principal risks and uncertainties, which include the current economic downturn and the potential adverse affect of this on the ability of the IPSO Ventures plc group to raise additional funding or to realise gains from its investments.

The directors have reviewed the latest financial position of the company and prepared a cash flow forecast which they consider makes appropriate allowance for these uncertainties. This shows that the company is expected to be cash generative for the foreseeable future.

The company had net current liabilities of £3,857,857 at 30 April 2009, which included an amount of £5,117,495 owed to IPSO Ventures plc, the company's immediate and ultimate parent company. However, the directors have received a letter of intent from the directors of IPSO Ventures plc that they will not seek repayment of the total amount owed to it, for a period of at least 12 months from the date of approval of these financial statements. Furthermore, the directors have considered that this is consistent with the business model of the IPSO Ventures plc group.

The directors therefore consider that, based upon the current level of activity, the company will be able to meet its liabilities as they fall due for the foreseeable future. Accordingly, the directors have prepared these financial statements on the going concern basis.

#### **Group accounts**

IPSO Management Limited is exempt from the requirement to prepare consolidated financial statements on the grounds of its size. The financial information represents information about IPSO Management Limited and not about its group. IPSO Management Limited held one subsidiary during the year, which has been consolidated in the consolidated financial statements of IPSO Ventures plc, the ultimate parent company.

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

#### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

#### **Fixed assets**

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

Fixtures and fittings	5 years on a straight line basis
Equipment	3 years on a straight line basis

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 30 April 2009**

**1. ACCOUNTING POLICIES (continued)**

**Investments**

Fixed asset investments are stated at cost, less any provision for permanent diminution in value.

**Taxation**

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**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.

**Share-based payments**

The company issues equity-settled share-based payments to its directors and other contractors. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the directors' estimate of the shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured using the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

**Financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

**Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

**Pensions**

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

# IPSO MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2009

### 1. ACCOUNTING POLICIES (continued)

#### Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

### 2. REVENUE

	2009 £	2008 £
Provision of professional services	<u>27,374</u>	<u>3,225</u>

### 3. OPERATING LOSS

	2009 £	2008 £
<b>Operating loss is stated after charging:</b>		
Depreciation of owned fixed assets	6,575	5,769
Operating lease rentals - other	<u>64,069</u>	<u>74,702</u>

	2009 £	2008 £
<b>The analysis of auditors' remuneration is as follows:</b>		
Fees payable to the company's auditors for the audit of the company's annual accounts	18,450	17,850
Tax services	<u>4,400</u>	<u>4,200</u>

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2009 £	2008 £
<b>Staff costs</b>		
Salaries	471,879	481,847
Social security costs	50,803	50,421
Other pension costs	47,769	37,589
Employee share option charge	<u>25,059</u>	<u>34,241</u>
	<u>595,510</u>	<u>604,098</u>

# IPSO MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2009

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

The average monthly number of employees (including executive directors) employed by the company during the year was five, all of whom were involved in management and administration activities (2008 - five).

#### Directors' remuneration:

	2009 £	2008 £
Emoluments	240,000	240,000
Sums paid to third parties in respect of directors' services	60,000	50,000
Company contributions to pension schemes	35,500	24,000
	<u>335,500</u>	<u>314,000</u>

Retirement benefits are accruing to three (2008 - two) directors under money purchase schemes.

#### Remuneration of the highest paid director:

	2009 £	2008 £
Emoluments	120,000	120,000
Company contributions to personal pension plans	12,000	12,000
	<u>132,000</u>	<u>132,000</u>

### 5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 £	2008 £
Interest receivable on bank deposits	<u>85,156</u>	<u>200,073</u>

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES

	2009 £	2008 £
<b>Current tax</b>		
United Kingdom corporation tax at 28% (2008 - 30%)	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Deferred tax (charge) credit current year	<u>(567)</u>	<u>406</u>
<b>Total tax on loss on ordinary activities</b>	<u>(567)</u>	<u>406</u>

# IPSO MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2009

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28% (2008 - 30%). The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation:

	2009 £	2008 £
Loss on ordinary activities before taxation	(695,150)	(690,958)
Tax on loss on ordinary activities at standard rate	(194,642)	(207,287)
<b>Factors affecting charge for the year</b>		
Expenses not deductible for tax purposes	9,077	11,511
Capital allowances (in excess of) / less than depreciation	(577)	684
Tax losses carried forward	186,142	195,092
Total actual amount of current tax	-	-

### 7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
At 1 May 2008	1,445	17,241	18,686
Additions	3,410	3,454	6,864
At 30 April 2009	4,855	20,695	25,550
<b>Depreciation</b>			
At 1 May 2008	308	9,257	9,565
Charge for year	445	6,130	6,575
At 30 April 2009	753	15,387	16,140
<b>Net book value</b>			
At 30 April 2009	4,102	5,308	9,410
At 30 April 2008	1,137	7,984	9,121

# IPSO MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2009

### 8. INVESTMENTS

	Subsidiaries £	Joint venture £	Associates £	Other £	Total £
<b>Cost</b>					
At 1 May 2008	541,002	429,962	164,834	86,230	1,222,028
Additions	135,000		504,198	30,060	669,258
Reclassifications	-	(429,962)	429,962	(24,823)	(24,823)
At 30 April 2009	676,002	-	1,098,994	91,467	1,866,463

At the end of the year the company owned a percentage of the issued ordinary share capital of the following companies, all of which are registered in England and Wales.

	Type of shares	Ownership %	Nature of business	Capital and reserves £	Loss for the year £
<b>Subsidiary undertaking</b>					
Medermica Limited	Ordinary	75	Research	(166,326)	(253,905)
<b>Associates</b>					
Axilica Limited	Ordinary	45	Research	353,870	(303,218)
Polyfect Solutions Limited	Ordinary	36	Research	397,760	(365,216)
Therakind Limited	Ordinary	41	Research	467,501	(157,315)
<b>Other investment</b>					
WildKey Limited	Ordinary	11	Research	n/a	n/a

### 9. DEBTORS

	2009 £	2008 £
Amounts owed by group undertakings	124,830	50,886
VAT receivable	3,219	7,886
Other debtors	17,325	86,368
Prepayments	10,878	15,076
	156,252	160,216

# IPSO MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2009

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Trade creditors	15,919	12,761
Amounts owed to group undertakings	5,117,495	5,296,455
Other creditors	202	1,733
Accruals	27,850	31,898
	<u>5,161,466</u>	<u>5,342,847</u>

### 11. PROVISIONS FOR LIABILITIES

	Deferred taxation £
At 1 May 2008	(84)
Debit to profit and loss account	<u>(567)</u>
At 30 April 2009	<u>(651)</u>

	Provided		Unprovided	
	2009 £	2008 £	2009 £	2008 £
Accelerated capital allowances	(651)	(84)	-	-
Tax losses available	<u>-</u>	<u>-</u>	<u>(527,650)</u>	<u>(341,518)</u>
Undiscounted provision for deferred tax	<u>(651)</u>	<u>(84)</u>	<u>(527,650)</u>	<u>(341,518)</u>

The tax losses are recoverable against future trading profits from the same trades.

### 12. CALLED UP SHARE CAPITAL

	2009 £	2008 £
<b>Authorised</b>		
5,000,000 ordinary shares of £0.001 each	<u>5,000</u>	<u>5,000</u>
<b>Called up, allotted and fully paid</b>		
1,176,470 ordinary shares of £0.001 each	<u>1,177</u>	<u>1,177</u>



# IPSO MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2009

### 13. SHARE BASED PAYMENTS

The following options over ordinary shares in IPSO Ventures plc, the company's immediate and ultimate parent, were outstanding to employees of the company.

	2009		2008	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at the beginning of the year	164,692	30.6p	120,000	42.0p
Granted in the year	92,308	-	44,692	-
Outstanding at the end of the year	257,000	19.6p	164,692	30.6p

In 2009, 92,308 options were granted on 18 November 2008 with an exercise price of £nil. The first date of exercise is 32 months after the grant date and the final date of exercise is 5 years after the grant date. The weighted average share price at the date of grant was 65.0p.

In 2008, 22,346 options were granted on 23 May 2007 with an exercise price of £nil and 22,346 options were granted on 10 September 2007 with an exercise price of £nil. The options vest 3 years after the grant date and expire 10 years after the grant date. The weighted average share price at the date of grant was 89.5p.

The fair value of equity-settled share options granted is estimated as at the date of grant using a Black Scholes model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model.

	2009	2008
Weighted average share price (pence)	65	54.9
Weighted average exercise price (pence)	-	30.6
Expected share price volatility (%)	30	30
Expected life (years)	3	2.3
Risk-free interest rate (%)	5	5
Dividend yield (%)	-	-
Employee exit rate	-	-

The expected life of the options is based on academic research and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the comparator's volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The company recognised total expenses of £25,059 (2008 - £34,241) related to equity-settled share-based payment transactions during the year.

# IPSO MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2009

### 14. STATEMENT OF MOVEMENTS IN RESERVES AND RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	Called up share capital £	Profit and loss account £	Total 2009 £	Total 2008 £
Balance at 1 May	1,177	(1,288,095)	(1,286,918)	(582,721)
Loss for the year	-	(695,717)	(695,717)	(690,552)
Transfer to parent company	-	-	-	(13,645)
Balance at 30 April	<u>1,177</u>	<u>(1,983,812)</u>	<u>(1,982,635)</u>	<u>(1,286,918)</u>

### 15. FINANCIAL COMMITMENTS

At 30 April 2009 the company had aggregate annual commitments under non-cancellable operating leases as set out below:

	2009 £	2008 £
Operating leases which expire:		
Within 1 year	27,180	37,628
Between 1 and 5 years	<u>4,530</u>	<u>-</u>

Operating lease payments represent rentals payable by the company for certain of its office properties. Leases are negotiated for an average term of one year and rentals are fixed for an average of one year.

### 16. RELATED PARTY TRANSACTIONS

During the year, the company reimbursed an amount of £202,500 (2008 - £270,000) of research and development costs incurred by Medermica Limited.

At 30 April 2009, £11,643 (2008 - £50,886) was due from Medermica Limited for expenditure incurred by the company on its behalf and outstanding reimbursements.

At 30 April 2009, £2,277 (2008 - £1,187) was due from Therakind Limited for expenditure incurred by the company on its behalf.

At 30 April 2009, £6,073 (2008 - £1,779) was due from Axilica Limited for expenditure incurred by the company on its behalf.

At 30 April 2009, £4,836 (2008 - £nil) was due from Polyfect Solutions Limited for expenditure incurred by the company on its behalf.

### 17. ULTIMATE PARENT COMPANY

The ultimate and immediate parent company and controlling party is IPSO Ventures plc, a company registered in England and Wales.

IPSO Ventures plc is the parent company of the smallest and largest group of which the company is a member and for which group accounts are drawn up. These accounts are available to the public and may be obtained from the company's registered office.

## **IPSO MANAGEMENT LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS** **Year ended 30 April 2009**

#### **18. SUBSEQUENT EVENTS**

The company invested an additional £67,500 in Medermica Limited in May 2009.

## **IPSO MANAGEMENT LIMITED**

### **ADDITIONAL INFORMATION**

The additional information which comprise the detailed profit and loss account has been prepared from the accounting records of the company and does not form part of the audited statutory financial statements.

# IPSO MANAGEMENT LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT (UNAUDITED)

Year ended 30 April 2009

	2009 £	2008 £
<b>REVENUE</b>	27,374	3,225
<b>Administrative expenses</b>		
Directors' salaries	(348,000)	(338,000)
Wages and salaries	(124,103)	(143,847)
Equity settled share-based payment charge	(25,059)	(34,241)
National insurance contributions	(50,803)	(50,421)
Pensions	(47,769)	(37,589)
Healthcare	(8,603)	(9,835)
Rent, rates and water	(64,069)	(74,702)
Insurance	(3,524)	(3,337)
Motor expenses	(250)	(494)
Travel and subsistence	(11,394)	(17,763)
Communications	(11,191)	(25,132)
Office expenses	(1,234)	(790)
Printing, stationery and postage	(2,932)	(4,275)
Staff training	(150)	(6,123)
Subscriptions and conferences	(4,995)	(7,467)
Entertainment	(4,440)	(6,221)
Legal and professional fees	(37,448)	(39,933)
External consultants	(30,190)	(29,283)
Accountancy fees	(4,662)	(16,280)
Auditors' remuneration	(19,425)	(42,355)
Depreciation	(6,575)	(5,769)
Bank charges	(864)	(399)
<b>OPERATING LOSS</b>	<b>(780,306)</b>	<b>(891,031)</b>
Bank interest receivable	85,156	200,073
<b>LOSS BEFORE TAX</b>	<b>(695,150)</b>	<b>(690,958)</b>
Taxation	(567)	406
<b>LOSS FOR THE YEAR</b>	<b>(695,717)</b>	<b>(690,552)</b>