

RANDEX LABORATORIES LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1992

AS MODIFIED BY ARTICLE 255

COMPANIES (NI) ORDER 1986



YEAR ENDED 31 DECEMBER 1992

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RANDEX LABORATORIES LTD

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 December 1992.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company continues to develop, manufacture and market biotechnology products, with special emphasis on enzymes and enzyme-related products.

There has been no material change in the nature of the business during the year.

	<u>1992</u>	<u>1991</u>
	£	£
Profit for the year after taxation was	763,988	407,606
	<u> </u>	<u> </u>
The Directors do not recommend the payment of a dividend		
Leaving profits to be transferred to reserves	763,988	407,606
	<u> </u>	<u> </u>
Retained profits now amount to	1,858,424	1,094,436
	<u> </u>	<u> </u>

The directors are pleased with the results achieved and are confident that the past level of profitability can be maintained in the future.

RESEARCH AND DEVELOPMENT

The company continues to expend resources upon research and development, with a view to marketing it's products. Refer note 5 to the accounts.

TANGIBLE ASSETS

A schedule of the movement on tangible assets is shown in note 6 to the accounts.

DIRECTORS

The Directors who acted during the year and their beneficial and family interests in shares of the Company were as follows:

	<u>AT 31/12/92</u>		<u>AT 31/12/91</u>	
	<u>ORD</u>	<u>PREF</u>	<u>ORD</u>	<u>PREF</u>
Dr S P Fitzgerald	71,106	-	71,106	-
Mr R J Fitzgerald	9,894	-	9,894	-
Mrs R J Fitzgerald	9,000	-	9,000	-
Mr C D M Fitzgerald	-	-	-	-

RANDEX LABORATORIES LTD

DIRECTORS' REPORT Continued

AUDITORS

T Murphy & Co were appointed auditors for the year and now offer themselves for reappointment in accordance with Article 392 of the Companies (Northern Ireland) Order 1986.

BY ORDER OF THE BOARD

DR S P FITZGERALD

SECRETARY

DATE 24 JUNE 1993

T. MURPHY & CO.

CHARTERED ACCOUNTANTS

43 Lockview Road
Belfast
BT9 5FJ
Telephone: 381755
Fax: 381744

RANDEX LABORATORIES LTD

Full financial statements for shareholders for the year ended 31 December 1992 were approved by the board of Directors on the 24 June 1993. The Directors have prepared the attached financial statements for the year ended 31 December 1992 in compliance with Articles 255 to 257 of the Companies (Northern Ireland) Order 1986 for filing with the registrar of companies.


AUDITORS' REPORT TO THE DIRECTORS OF RANDEX LABORATORIES LTD

In our opinion the company satisfies the requirements of Article 256(1) of the Companies (Northern Ireland) Order 1986 for exemption as a medium sized company in respect of the year ended 31 December 1992 and in particular the modified financial statements have been properly prepared in accordance with schedule 8 of that order. We are not required to express an audit opinion on the truth and fairness of these modified financial statements.

We reported as auditors of Randox Laboratories Ltd to the members on 28 June 1993 on the Company's financial statements prepared under Article 236 of the Companies (Northern Ireland) Order 1986 for the year ended 31 December 1992 and our audit opinion was as follows:

We have audited the financial statements on pages 4 to 14. Our audit was conducted in accordance with Auditing Standards.

In our opinion the financial statements which have been prepared under the historical cost convention give a true and fair view of the state of the company's affairs at 31 October 1992 and of its profit for the year ended and comply with the Companies (Northern Ireland) Order 1986.


T MURPHY & CO
REGISTERED AUDITORS

DATE 28 JUNE 1993

RANDEX LABORATORIES LTD

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1992

	<u>NOTE</u>	<u>1992</u>	<u>1991</u>
		£	£
GROSS PROFIT		1,533,854	1,217,845
Administrative Expenses		(1,099,320)	(869,536)
Other Operating Income		510,953	235,008
Other Interest Receivable and Similar Income		1,302	157
Interest Payable and Similar Charges		(47,359)	(67,995)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	899,430	515,479
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	(135,442)	(107,873)
		<hr/>	<hr/>
PROFIT		763,988	407,606
		<hr/>	<hr/>
AMOUNTS TRANSFERRED TO RESERVES	16	763,988	407,606
		<hr/>	<hr/>

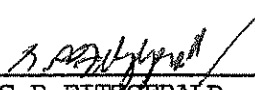
The notes on pages 8 to 14 form part of these accounts.

RANDEX LABORATORIES LTD

MODIFIED BALANCE SHEET
AS AT 31 DECEMBER 1992

		<u>1992</u>	<u>1991</u>
	<u>NOTE</u>	<u>£</u>	<u>£</u>
FIXED ASSETS			
Intangible Assets	5	1,375,555	922,850
Tangible Assets	6	934,885	824,041
		<u>2,310,440</u>	<u>1,746,891</u>
CURRENT ASSETS			
Stock	7	591,736	445,663
Debtors	8	963,703	819,794
		<u>1,555,439</u>	<u>1,265,457</u>
CREDITORS Amounts falling due within one year	9	(470,915)	(942,174)
NET CURRENT ASSETS		<u>1,084,524</u>	<u>323,283</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,394,964</u>	<u>2,070,174</u>
CREDITORS Amounts due after one year	10	(958,546)	(533,186)
PROVISION FOR LIABILITIES AND CHARGES	12	(427,994)	(292,552)
NET ASSETS		<u>2,008,424</u>	<u>1,244,436</u>
CAPITAL AND RESERVES			
Called Up Share Capital	14	150,000	150,000
Profit and Loss Account	16	1,858,424	1,094,436
		<u>2,008,424</u>	<u>1,244,436</u>

We have relied on the exemptions for individual financial statements contained in Articles 255 to 257 of the Companies (Northern Ireland) Order 1986 because under that Order, the company is entitled to benefit from these exemptions as a medium sized company.


DR S P FITZGERALD

DIRECTORS

DATE 24 JUNE 1993


MRS R J FITZGERALD

The notes on pages 8 to 14 form part of these Accounts.

RANDEX LABORATORIES LTDCASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 1992

	<u>NOTE</u>	<u>1992</u>	<u>1991</u>
		<u>£</u>	<u>£</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	1	1,258,919	1,100,106
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest Received		1,302	157
Interest Paid		(47,359)	(67,995)
		<u> </u>	<u> </u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(46,057)	(67,838)
		<u> </u>	<u> </u>
TAXATION			
Corporation Tax Paid		-	-
		<u> </u>	<u> </u>
INVESTING ACTIVITIES			
Payments to Acquire Intangible Fixed Assets		(1,542,042)	(1,042,579)
Payments to Acquire Tangible Fixed Assets		(248,622)	(316,463)
Receipts from Sales of Tangible Fixed Assets		10,212	-
		<u> </u>	<u> </u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(1,780,452)	(1,359,042)
		<u> </u>	<u> </u>
NET CASH OUTFLOW BEFORE FINANCING		(567,590)	(326,774)
		<u> </u>	<u> </u>
FINANCING			
Capital Grants Received		934,389	353,996
		<u> </u>	<u> </u>
NET CASH FLOW FROM FINANCING		934,389	353,996
		<u> </u>	<u> </u>
INCREASE IN CASH AND CASH EQUIVALENTS	2	366,799	27,222
		<u> </u>	<u> </u>

RANDOX LABORATORIES LTD

NOTES TO THE CASH FLOW STATEMENT

1. NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>1992</u>	<u>1991</u>
	£	£
Profit on Ordinary Activities Before Taxation	899,430	515,479
Interest Paid	47,359	67,995
Interest Received	(1,302)	(157)
Capital Grant Amortised	(508,453)	(227,539)
Amortisation of Intangible Fixed Assets	1,089,337	673,901
Depreciation on Tangible Fixed Assets	121,002	118,580
Loss on Disposal of Tangible Fixed Assets	6,564	-
(Increase) in Stocks	(146,073)	(124,789)
(Increase) in Debtors	(143,909)	(69,315)
(Decrease) Increase in Creditors	(105,036)	145,951
	<u>1,258,919</u>	<u>1,100,106</u>

2. ANALYSIS OF CHANGES IN CASH AND EQUIVALENT DURING THE YEAR	<u>1992</u>	<u>1991</u>
	£	£
At 31 December 1991	(503,298)	(530,520)
Net Cash	366,799	27,222
	<u>(136,499)</u>	<u>(503,298)</u>

ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENT AS SHOWN IN THE BALANCE SHEET

	<u>1992</u>	<u>1991</u>	<u>CHANGE IN YEAR</u>
	£	£	£
Bank Loan and Overdrafts	(136,499)	(503,298)	366,799
	<u>(136,499)</u>	<u>(503,298)</u>	<u>366,799</u>

RANDEX LABORATORIES LTD

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The Company prepares its accounts on the historical cost basis of accounting. The principal accounting policies which have been adopted within that convention are set out below.

TURNOVER

Turnover represents the invoice value, excluding value added tax in respect of the sale of goods to customers during the year.

TANGIBLE ASSETS

The cost of assets comprises purchase price and any installation charges.

Depreciation is calculated to write off the cost of the fixed assets over their estimated useful lives. The methods adopted and rates used are:

BUILDING RENOVATIONS	5%	STRAIGHT LINE
LAB EQUIPMENT	20%	REDUCING BALANCE
OFFICE EQUIPMENT	20%	REDUCING BALANCE
MOTOR VEHICLES	25%	REDUCING BALANCE

RESEARCH AND DEVELOPMENT

Expenditure on research and development relating to diagnostic and enzyme related products produced by the company is written off by reference to the period over which the products are likely to be sold.

STOCK

Stock is stated at the lower of cost and net realisable value.

DEFERRED TAXATION

Deferred taxation is provided on all material timing differences except in so far as it is expected that the benefit will, with reasonable probability, be retained for the foreseeable future.

CAPITAL GRANTS

(a) Research & Development

Grants received from LEDU are credited to the Profit and Loss Account by reference to the periods over which the products to which they relate are likely to be sold.

(b) Tangible Assets

Capital Grants received in respect of Capital Expenditure upon Tangible Assets are credited to the Profit and Loss account by instalments calculated at the same rates as the depreciation on the assets to which grants relate.

REVENUE GRANTS

Revenue based grants are credited against the appropriate Profit and Loss Account items.

RANDEX LABORATORIES LTD

NOTES TO THE ACCOUNTS Continued

2. SEGMENT AND MARKET INFORMATION

In accordance with Schedule 4 Section 55(5) of the Companies (Northern Ireland) Order 1986 Segment and Market Information has been omitted. The directors believe that to disclose such information would be seriously prejudicial to the interests of the Company.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>1992</u>	<u>1991</u>
after charging:	£	£
Directors' Emoluments	67,256	43,636
Depreciation	121,002	118,580
Auditors Remuneration	3,500	3,000
Interest Payable - Bank Borrowings	47,359	67,995
Loss on Sale of Fixed Assets	6,564	-
	<u> </u>	<u> </u>
and after crediting:		
Interest Received	1,302	157
Rental Income	1,800	2,500
	<u> </u>	<u> </u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1992</u>	<u>1991</u>
	£	£
Transfer to Deferred Tax	(135,442)	(107,873)
	<u> </u>	<u> </u>
	(135,442)	(107,873)
	<u> </u>	<u> </u>

5. INTANGIBLE ASSETS

	<u>1992</u>	<u>1991</u>
	£	£
COST		
1 January 1992	2,543,960	1,501,381
Additions	1,542,042	1,042,579
	<u> </u>	<u> </u>
At 31 December 1992	4,086,002	2,543,960
	<u> </u>	<u> </u>
PROVISION FOR DIMINUTION IN VALUE		
At 1 January 1992	1,621,110	947,209
Increases	1,089,337	673,901
	<u> </u>	<u> </u>
At 31 December 1992	2,710,447	1,621,110
	<u> </u>	<u> </u>
BALANCE SHEET VALUE	1,375,555	922,850
	<u> </u>	<u> </u>

RANDOLPH LABORATORIES LTD

NOTES TO THE ACCOUNTS Continued

6. TANGIBLE ASSETS

	<u>BUILDING RENOVATIONS</u>	<u>LABORATORY EQUIPMENT</u>	<u>MOTOR VEHICLES</u>	<u>OFFICE EQUIPMENT</u>	<u>LAND</u>	<u>TOTAL</u>
	£	£	£	£	£	£
COST						
At 1 January 1992	421,931	505,952	124,184	65,378	88,375	1,205,820
Additions	163,401	10,760	54,908	15,553	4,000	248,622
Disposals	-	-	(26,107)	-	-	(26,107)
At 31 December 1992	585,332	516,712	152,985	80,931	92,375	1,428,335
DEPRECIATION						
At 1 January 1992	55,252	236,909	61,383	28,235	-	381,779
Charge for year	29,267	55,961	25,235	10,539	-	121,002
Disposals	-	-	(9,331)	-	-	(9,331)
At 31 December 1992	84,519	292,870	77,287	38,774	-	493,450
BALANCE SHEET VALUE						
At 31 December 1992	500,813	223,842	75,698	42,157	92,375	934,885
BALANCE SHEET VALUE						
At 31 December 1991	366,679	269,043	62,801	37,143	88,375	824,041

RANDOX LABORATORIES LTDNOTES TO THE ACCOUNTS Continued

7. STOCKS	<u>1992</u>	<u>1991</u>
	£	£
Raw Materials	309,745	242,646
Finished Goods	281,991	203,017
	<hr/>	<hr/>
	591,736	445,663
	<hr/>	<hr/>
8. DEBTORS	<u>1992</u>	<u>1991</u>
	£	£
Trade Debtors	766,494	603,075
Grants Receivable	181,099	162,432
Other Debtors	15,710	53,887
Prepayments & Accrued Income	400	400
	<hr/>	<hr/>
	963,703	819,794
	<hr/>	<hr/>
9. CREDITORS (Amounts due within one year)	<u>1992</u>	<u>1991</u>
	£	£
Bank Loans & Overdrafts	136,499	503,298
Trade Creditors	265,864	374,744
Other Creditors	27,228	27,414
Taxation & Social Security Costs	31,060	24,676
Accruals & Deferred Income	10,264	12,042
	<hr/>	<hr/>
	470,915	942,174
	<hr/>	<hr/>
10. CREDITORS (Amounts due after one year)	<u>1992</u>	<u>1991</u>
	£	£
Family Investment	23,993	23,993
Capital Grants (See note 15)	923,676	497,740
Other Creditors	10,877	11,453
	<hr/>	<hr/>
	958,546	533,186
	<hr/>	<hr/>

RANDEX LABORATORIES LTD

NOTES TO THE ACCOUNTS Continued

11. BANK LOANS AND OVERDRAFTS	<u>1992</u>	<u>1991</u>
	£	£
Bank Loans & Overdrafts	136,499	503,298
	<u> </u>	<u> </u>
TOTAL	136,499	503,298
	<u> </u>	<u> </u>
DUE INSIDE ONE YEAR		
Bank Loans & Overdrafts	136,499	503,298
	<u> </u>	<u> </u>
	136,499	503,298
	<u> </u>	<u> </u>

DETAILS OF SECURITY:

The Bank of Ireland Ltd hold a debenture on the assets of the company.

12. PROVISION FOR LIABILITIES & CHARGES	<u>DEFERRED TAX</u>
	£
At 1 January 1992	292,552
Transfer from Profit & Loss Account	135,442
	<u> </u>
At 31 December 1992	427,994
	<u> </u>

13. DEFERRED TAXATION	<u>FULL</u>		<u>PROVISION MADE</u>	
	<u>POTENTIAL</u>	<u>LIABILITY</u>	<u>1992</u>	<u>1991</u>
	<u>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
Capital Allowances in				
Advance of Depreciation	611,616	414,355	611,616	414,355
Losses B/Fwd	(183,622)	(121,803)	(183,622)	(121,803)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	427,994	292,552	427,994	292,552
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

RANDEX LABORATORIES LTD

NOTES TO THE ACCOUNTS Continued

14. CALLED UP SHARE CAPITAL	<u>1992</u>	<u>1991</u>
	£	£
ALLOTTED & FULLY PAID UP		
90,000 Shares of £1 each	90,000	90,000
60,000 Cumulative Preference Shares of £1 each	60,000	60,000
	<hr/>	<hr/>
AUTHORISED		
500,000 Shares of £1 each	500,000	500,000
	<hr/>	<hr/>

LEDU have the option to redeem the cumulative preference shares at par. In January 1990, the company's authorised share capital was increased to 500,000 shares of £1 each and the company's issued share capital was increased to 150,000 by means of a bonus issue of 759 shares for every 141 shares held.

15. CAPITAL GRANT RESERVE	<u>1992</u>	<u>1991</u>
	£	£
Balance At 1 January 1992	497,740	371,283
Grants Received and Receivable During the Year	934,389	353,996
Less Credited to Profit and Loss Account	(508,453)	(227,539)
	<hr/>	<hr/>
At 31 December 1992	923,676	497,740
	<hr/>	<hr/>

16. PROFIT AND LOSS ACCOUNT	<u>1992</u>	<u>1991</u>
	£	£
At 1 January 1992	1,094,436	686,830
Profit for the Year	763,988	407,606
	<hr/>	<hr/>
At 31 December 1992	1,858,424	1,094,436
	<hr/>	<hr/>

17. DIRECTORS & EMPLOYEES	<u>1992</u>	<u>1991</u>
(a) Directors		
The remuneration paid to Directors was:	£	£
Fees	67,256	43,636
	<hr/>	<hr/>
Directors' remuneration, excluding pension contributions are as follows:		
Chairman	30,000	26,667
Highest Paid Director	31,256	26,667
	<hr/>	<hr/>

RANDOX LABORATORIES LTD

NOTES TO THE ACCOUNTS Continued

17. DIRECTORS & EMPLOYEES Continued

(b) Employees

The average weekly number of persons (including directors) employed by the company during the year was:

Administration	20	15
Production	87	65
Sales	10	8

117	88
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Remuneration net of grants was:

£	£
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Wages & Salaries

700,689	406,664
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