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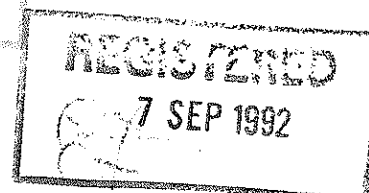
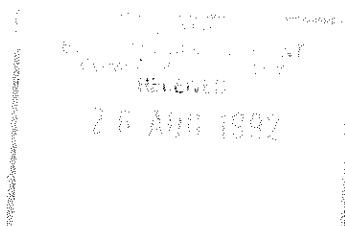
RANDEX LABORATORIES LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1991

AS MODIFIED BY ARTICLE 255

COMPANIES (NI) ORDER 1986



RANDOX LABORATORIES LTD

REPORT & ACCOUNTS

YEAR ENDED 31 DECEMBER 1991

<u>CONTENTS</u>	<u>PAGE</u>
DIRECTORS' REPORT	1
AUDITORS' REPORT	3
PROFIT AND LOSS ACCOUNT	4
BALANCE SHEET	5
STATEMENT OF SOURCE AND APPLICATION OF FUNDS	6
NOTES TO THE ACCOUNTS	7

RANDEX LABORATORIES LTD

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 December 1991.

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>1991</u>	<u>1990</u>
	£	£
Profit for the year after taxation was	407,606	253,686
	<u> </u>	<u> </u>
The Directors do not recommend the payment of a dividend		
Leaving profits to be transferred to reserves	407,606	253,686
	<u> </u>	<u> </u>
Retained profits now amount to	1,094,436	686,830
	<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 31/12/91</u>		<u>AT 31/12/90</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 27 MAY 1992

T. MURPHY & CO.

CHARTERED ACCOUNTANTS

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

RANDOX LABORATORIES LTD

Full financial statements for shareholders for the year ended 31 December 1991 were approved by the board of Directors on the 27 May 1992. The Directors have prepared the attached financial statements for the year ended 31 December 1991 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 RANDOX 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 1991 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 Radox Laboratories Ltd to the members on 29 May 1992 on the Company's financial statements prepared under Article 236 of the Companies (Northern Ireland) Order 1986 for the year ended 31 December 1991 and our audit opinion was as follows:

We have audited the financial statements on pages 4 to 13. 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 December 1991 and of its profit and source and application of funds for the year then ended and comply with the Companies (Northern Ireland) Order 1986.

A. Murphy Esq

DATE 29 MAY 1992

RANDEX LABORATORIES LTD

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1991

	<u>NOTE</u>	<u>1991</u>	<u>1990</u>
		£	£
GROSS PROFIT		1,217,845	750,918
Administrative Expenses		(869,536)	(546,704)
Other Operating Income		235,008	220,500
Other Interest Receivable and Similar Income		157	368
Interest Payable and Similar Charges		(67,995)	(69,061)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	515,479	356,021
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	(107,873)	(102,335)
PROFIT		407,606	253,686
AMOUNTS TRANSFERRED TO RESERVES	16	407,606	253,686

The notes on pages 7 to 13 form part of these accounts.

RANDOX LABORATORIES LTDMODIFIED BALANCE SHEET
AS AT 31 DECEMBER 1991

		<u>1991</u>	<u>1990</u>
	<u>NOTE</u>	<u>£</u>	<u>£</u>
FIXED ASSETS			
Intangible Assets	5	922,850	554,172
Tangible Assets	6	824,041	626,158
		<u>1,746,891</u>	<u>1,180,330</u>
CURRENT ASSETS			
Stock	7	445,663	320,874
Debtors	8	819,794	750,479
		<u>1,265,457</u>	<u>1,071,353</u>
CREDITORS Amounts falling due within one year	9	(942,174)	(823,609)
NET CURRENT ASSETS		<u>323,283</u>	<u>247,744</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,070,174</u>	<u>1,428,074</u>
CREDITORS Amounts due after one year	10	(533,186)	(406,565)
PROVISION FOR LIABILITIES AND CHARGES	12	(292,552)	(184,679)
NET ASSETS		<u>1,244,436</u>	<u>836,830</u>
CAPITAL AND RESERVES			
Called Up Share Capital	14	150,000	150,000
Profit and Loss Account	16	1,094,436	686,830
		<u>1,244,436</u>	<u>836,830</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.

B.P. Fitzgerald
DR S P FITZGERALD

DIRECTORS

DATE 27 MAY 1992

R J Fitzgerald
MRS R J FITZGERALD

The notes on pages 7 to 13 form part of these Accounts.

RANDOX LABORATORIES LTD

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
YEAR ENDED 31 DECEMBER 1991

	<u>1991</u>	<u>1990</u>
	£	£
SOURCE OF FUNDS		
Profit Before Taxation	515,479	356,021
ADJUSTMENT FOR ITEMS NOT INVOLVING THE MOVEMENT OF FUNDS		
Depreciation	118,580	88,122
Capital Grant Amortised	(227,539)	(168,156)
Research and Development	673,901	425,012
(Profit) Loss on Disposals of Fixed Assets	-	(736)
	<hr/> 1,080,421	<hr/> 700,263
FUNDS FROM OTHER SOURCES		
Grants	353,996	368,713
Proceeds on Disposal of Fixed Assets	-	16,900
Corporation Tax Refunded	1,474	-
	<hr/> 1,435,891	<hr/> 1,085,876
APPLICATION OF FUNDS		
Purchase of Fixed Assets	(316,463)	(280,128)
Research & Development	(1,042,579)	(683,392)
Corporation Tax Paid	-	(1,474)
	<hr/>	<hr/>
NET INFLOW (OUTFLOW) OF FUNDS	76,849	120,882
	<hr/> <hr/>	<hr/> <hr/>
MOVEMENT IN WORKING CAPITAL		
Stock	124,789	84,729
Debtors	69,315	392,464
Creditors	(144,477)	(333,464)
	<hr/> 49,627	<hr/> 143,729
MOVEMENT IN NET LIQUID FUNDS		
Bank & Cash Balances	27,222	(22,847)
	<hr/> 76,849	<hr/> 120,882
	<hr/> <hr/>	<hr/> <hr/>

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.

RANDOX 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>1991</u>	<u>1990</u>
after charging:	£	£
Directors' Emoluments	43,636	27,800
Depreciation	118,580	88,122
Auditors Remuneration	3,000	3,000
Interest Payable - Bank Borrowings	67,995	69,061
	<u> </u>	<u> </u>
and after crediting:		
Interest Received	157	368
Profit on Sale of Fixed Assets	-	736
Rental Income	2,500	2,500
	<u> </u>	<u> </u>
4. TAX ON PROFIT ON ORDINARY ACTIVITIES	<u>1991</u>	<u>1990</u>
	£	£
Corporation Tax	-	1,474
Transfer to Deferred Tax	(107,873)	(103,809)
	<u> </u>	<u> </u>
	(107,873)	(102,335)
	<u> </u>	<u> </u>
5. INTANGIBLE ASSETS	<u>1991</u>	<u>1990</u>
	£	£
COST		
1 January 1991	1,501,381	817,989
Additions	1,042,579	683,392
	<u> </u>	<u> </u>
At 31 December 1991	2,543,960	1,501,381
	<u> </u>	<u> </u>
PROVISION FOR DIMINUTION IN VALUE		
At 1 January 1991	947,209	522,197
Increases	673,901	425,012
	<u> </u>	<u> </u>
At 31 December 1991	1,621,110	947,209
	<u> </u>	<u> </u>
BALANCE SHEET VALUE	922,850	554,172
	<u> </u>	<u> </u>

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 1991	293,956	377,836	87,590	41,600	88,375	889,357
Additions	127,975	128,116	36,594	23,778	-	316,463
At 31 December 1991	421,931	505,952	124,184	65,378	88,375	1,205,820
DEPRECIATION						
At 1 January 1991	34,155	169,648	40,447	18,949	-	263,199
Charge for year	21,097	67,261	20,936	9,286	-	118,580
At 31 December 1991	55,252	236,909	61,383	28,235	-	381,779
BALANCE SHEET VALUE						
At 31 December 1991	366,679	269,043	62,801	37,143	88,375	824,041
BALANCE SHEET VALUE						
At 31 December 1990	259,801	208,188	47,143	22,651	88,375	626,158

RANDEX LABORATORIES LTDNOTES TO THE ACCOUNTS Continued

7. STOCKS	<u>1991</u>	<u>1990</u>
	£	£
Raw Materials	242,646	193,086
Finished Goods	203,017	127,788
	<hr/>	<hr/>
	445,663	320,874
	<hr/>	<hr/>
8. DEBTORS	<u>1991</u>	<u>1990</u>
	£	£
Trade Debtors	603,075	495,711
Grants Receivable	162,432	218,562
Other Debtors	53,887	35,858
Prepayments & Accrued Income	400	348
	<hr/>	<hr/>
	819,794	750,479
	<hr/>	<hr/>
9. CREDITORS (Amounts due within one year)	<u>1991</u>	<u>1990</u>
	£	£
Bank Loans & Overdrafts	503,298	530,520
Trade Creditors	374,744	220,591
Other Creditors	27,414	21,939
Taxation & Social Security Costs	24,676	12,026
Accruals & Deferred Income	12,042	38,533
	<hr/>	<hr/>
	942,174	823,609
	<hr/>	<hr/>
10. CREDITORS (Amounts due after one year)	<u>1991</u>	<u>1990</u>
	£	£
Family Investment	23,993	23,993
Capital Grants (See note 15)	497,740	371,283
Other Creditors	11,453	11,289
	<hr/>	<hr/>
	533,186	406,565
	<hr/>	<hr/>

RANDOX LABORATORIES LTD

NOTES TO THE ACCOUNTS Continued

11. BANK LOANS AND OVERDRAFTS	<u>1991</u>	<u>1990</u>
	£	£
Bank Loans & Overdrafts	503,298	530,520
	<u> </u>	<u> </u>
TOTAL	503,298	530,520
	<u> </u>	<u> </u>
DUE INSIDE ONE YEAR		
Bank Loans & Overdrafts	503,298	530,520
	<u> </u>	<u> </u>
	503,298	530,520
	<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 1991	184,679
Transfer from Profit & Loss Account	107,873
	<u> </u>
At 31 December 1991	292,552
	<u> </u>

13. DEFERRED TAXATION	<u>FULL</u>		<u>PROVISION MADE</u>	
	<u>POTENTIAL</u>	<u>LIABILITY</u>	<u>1991</u>	<u>1990</u>
	<u>1991</u>	<u>1990</u>	<u>1991</u>	<u>1990</u>
	£	£	£	£
Capital Allowances in				
Advance of Depreciation	414,355	223,598	414,355	223,598
Losses B/Fwd	(121,803)	(38,919)	(121,803)	(38,919)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	292,552	184,679	292,552	184,679
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

RANDOX LABORATORIES LTDNOTES TO THE ACCOUNTS Continued

14. CALLED UP SHARE CAPITAL	<u>1991</u>	<u>1990</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
AUTHORISED		
500,000 Shares of £1 each	500,000	500,000

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>1991</u>	<u>1990</u>
	£	£
Balance At 1 January 1991	371,283	170,726
Grants Received and Receivable During the Year	353,996	368,713
Less Credited to Profit and Loss Account	(227,539)	(168,156)
At 31 December 1991	497,740	371,283

16. PROFIT AND LOSS ACCOUNT	<u>1991</u>	<u>1990</u>
	£	£
At 1 January 1991	686,830	509,044
Profit for the Year	407,606	253,686
Capitalisation of Reserves	-	(75,900)
At 31 December 1991	1,094,436	686,830

17. DIRECTORS & EMPLOYEES		
(a) Directors		
The remuneration paid to Directors was:	£	£
Fees	43,636	27,800
Directors' remuneration, excluding pension contributions are as follows:		
Chairman	26,667	20,000
Highest Paid Director	26,667	20,000

RANDEX 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:

	<u>1991</u>	<u>1990</u>
Administration	15	9
Production	65	46
Sales	8	5

	<u>88</u>	<u>60</u>
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Remuneration net of grants was:

	<u>£</u>	<u>£</u>
Wages & Salaries	406,664	249,912