

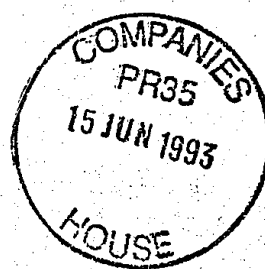
Board of Trade.

2658906

ASPAR PHARMACEUTICALS LIMITED

ACCOUNTS AND REPORTS

FOR THE PERIOD ENDED 30th SEPTEMBER, 1992.



ASPAR PHARMACEUTICALS LIMITED

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ASPAR PHARMACEUTICALS LIMITED

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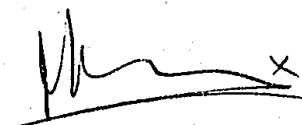
COMPANY INFORMATION

DIRECTORS	T. E. Prudhoe. R. J. Stagg. S. J. Prudhoe.
SECRETARY	S. J. Prudhoe.
REGISTERED OFFICE	York House, Church Lane, Chalfont St. Peter, Gerrards Cross, Bucks. SL9 9RE.
COMPANY NUMBER	2658906
AUDITORS	Bass, Sadler & Co. York House, Church Lane, Chalfont St. Peter, Gerrards Cross, Bucks. SL9 9RE.
BANKERS	Barclays Bank PLC. 126, Station Road, Edgware, Middx. HA8 7RY.

CHAIRMAN'S STATEMENT

The first period of trading for a new Company is always a challenging one and this was no exception for Aspar. We can look back on a number of notable achievements that have created the springboard for future development. The new factory is now fully commissioned to our exacting standard, and has obtained all necessary licenses and approval from the statutory authorities (MCA). In addition successful factory audits have been undertaken by several major chemist and grocery retailers. Major new business opportunities in these sectors are being actively pursued.

As expected the Company's first year of operations led to a trading loss, however, these losses are now under control and we are confident that a profit will be declared for the year ending 30th September, 1993. Additional financing by way of a £60,000 new share issue was introduced in December. This was subscribed to equally by both shareholders.

x  x
T. E. Prudhoe.
.....

Chairman.

ASPAR PHARMACEUTICALS LIMITED

DIRECTORS' REPORT

The Directors present their report and Accounts for the period ended 30th September, 1992, which disclose a Net Loss of £137,961. Full details are shown in the accompanying financial statements.

Directors and Interests in Shares of the Company.

The Directors of the Company who held office during the period and their interests in the Share Capital were:-

	<u>Ordinary Shares of £1. each.</u>
Mr. T. E. Prudhoe.	15,099
Mrs. S. J. Prudhoe.	1
Mr. R. J. Stagg.	-

The remaining 15,000 Shares are held by The Brunel Trading Company Ltd.

In accordance with the Articles of Association no Director retires by rotation.

Director's Remuneration has been voted to Mr. T. E. Prudhoe.

Principal Activity and Review of the Business.

The principal activity of the Company is of manufacturing, packaging and distribution of pharmaceutical products. The Company was incorporated on 17th October, 1991 and commenced trading on 1st January, 1992.

Fixed Assets.

The movement in the fixed assets during the period are set out in the notes to the financial statements.

Director's Liability Insurance.

Policy effected on the life of T. E. Prudhoe. with a sum assured of £100,000 payable to the Company on his death.

Dividends.

The Directors recommend that no dividend be paid in respect of the period.

Close Company.

The Company is a close Company for taxation purposes, within the meaning of Section 414 of the Income and Corporation Taxes Act 1988.

Auditors.

Messrs. Bass, Sadler & Co. have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed Auditors to the Company for the ensuing year.

On behalf of the Board.

X Y
Director.

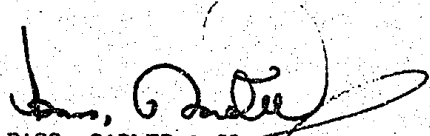
Dated this 14th day of MAY, 1993.

REPORT OF THE AUDITORS
TO THE MEMBERS OF ASPAR PHARMACEUTICALS LIMITED

We have audited the financial statements on pages
5 to 11 in accordance with auditing standards.

In our opinion the financial statements give a true
and fair view of the state of the Company's affairs at
30th September, 1992 and of the Loss for the period
there ended and have been properly prepared in accord-
ance with the provisions of the Companies Act 1985
applicable to small Companies.

Dated this 14th day of MAY, 1993.



BASS, SADLER & CO.,
PUBLIC ACCOUNTANTS AND
REGISTERED AUDITOR.
YORK HOUSE,
CHURCH LANE,
CHALFONT ST. PETER,
GERRARDS CROSS,
BUCKS.

ASPAR PHARMACEUTICALS LIMITED

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PROFIT AND LOSS APPROPRIATION ACCOUNT for the PERIOD 17th OCTOBER, 1991 to

30th SEPTEMBER, 1992.

<u>NET TRADING LOSS</u>	(before charging the following	<u>NOTE</u>	£.
	expenses):-		76,819
Directors' Remuneration		4	23,080
Directors' Social Security Payments		4	2,400
Audit Fee			4,000
Bank Charges and Interest		3	7,366
Finance Lease Interest		3	3,738
<u>Depreciation:-</u>			
Leasehold Property			3,609
Plant and Machinery			8,139
Plant and Machinery (re: Finance Leases)			7,785
Fixtures and Fittings			1,025
			<hr/>
<u>NET LOSS</u> for the PERIOD			137,961
FORMATION EXPENSES Written Off			1,600
GOODWILL Written Off			1
			<hr/>
DEFICIT BALANCE carried forward to next Year			139,562
			<hr/> <hr/>

The attached notes form part of these Accounts.

ASPAR PHARMACEUTICALS LIMITED

<u>BALANCE</u>	<u>SHEET</u>	as	at	30th	SEPTEMBER,	1992.
				<u>NOTE</u>		<u>£.</u>
<u>FIXED ASSETS</u>				2		
Leasehold Property						80,951
Plant and Machinery						297,310
Fixtures and Fittings						<u>5,806</u>
						384,067
<u>CURRENT ASSETS</u>						
Stock						93,784
Debtors and Prepayments				6		<u>50,958</u>
						144,742
<u>LESS: CURRENT LIABILITIES</u>						
<u>AMOUNTS FALLING DUE WITHIN ONE YEAR</u>						
Creditors and Accrued Charges				7	306,854	
Bank Overdraft					<u>74,890</u>	<u>381,744</u>
						(237,002)
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>						147,065
<u>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>						
Creditors				8		(256,527)
						<u>(109,462)</u>
<u>REPRESENTED BY:-</u>						
<u>CAPITAL AND RESERVES</u>						
Called Up Share Capital				14		30,100
<u>PROFIT AND LOSS APPROPRIATION ACCOUNT</u>						<u>(139,562)</u>
						<u>(109,462)</u>

Approved by the Board on the 14th May, 1993.

T.E. Prudhoe.
Director.

Y  X

The attached notes form part of these Accounts.

ASPAR PHARMACEUTICALS LIMITED

NOTES TO THE ACCOUNTS for the PERIOD 17th OCTOBER, 1991 to 30th SEPTEMBER, 1992.

1. ACCOUNTING POLICIES.

(a) Basis of Accounting.

The financial statements have been prepared in accordance with the historical cost convention. The principal accounting policies which the directors have adopted within the convention are set out below.

(b) Stocks.

Stocks are stated at the lower of cost and net realisable value with due provision being made for obsolescence.

(c) Turnover.

Turnover consists of the invoiced value excluding value added tax of goods and services supplied to third parties.

(d) Depreciation.

Fixed Assets are depreciated at rates calculated to write off their cost, less estimated residual value, over their expected useful lives at the following rates.

Leasehold Property straight line basis over the period of the lease.

Plant and Machinery:-

Purchased outright	straight line basis	20% p.a.
Finance Leases	" " "	20% p.a.
Fixtures and Fittings	" " "	20% p.a.

(e) Goodwill.

Acquired goodwill is written off in the year in which it was incurred.

(f) Taxation.

On the basis of these accounts it is considered no liability to Corporation Tax will arise for the period ended 30th September, 1992 due to losses.

(g) Leased Assets.

Where asset acquisitions are financed by leasing agreements (finance leases) the assets are included in the balance sheet at cost less depreciated in accordance with the Company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in constant proportion to the balance of capital payments outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

ASPAR PHARMACEUTICALS LIMITED

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NOTES TO THE ACCOUNTS for the PERIOD 17th OCTOBER, 1991 to 30th SEPTEMBER, 1992.

1. ACCOUNTING POLICIES.

(h) Cash Flow Statement.

The directors have elected to take advantage of the exception from preparing a cash flow statement, as allowed by FRSI on the grounds that the Company qualifies as a small Company.

2. FIXED ASSETS.

	Leasehold Property	Plant & Machinery Purchased Finance Outright Leases		Fixtures & Fittings	Total
At Cost (or Acquisition Value)	84,560	54,266	258,968	6,831	404,625
Balance as at 30th September, 1992.	84,560	54,266	258,968	6,831	404,625
<u>DEPRECIATION:-</u>					
Charge for Period	3,609	8,139	7,785	1,025	20,558
Balance as at 30th September, 1992.	3,609	8,139	7,785	1,025	20,558
<u>NET BOOK VALUE</u>					
As at 30th September, 1992.	80,951	46,127	251,183	5,806	384,067

3. INTEREST PAYABLE.

Bank Overdraft Interest	5,004
Finance Lease Interest	3,738
	<u>£8,742</u>

The Overdraft is secured by a debenture in favour of Barclays Bank PLC.

4. EMPLOYEES.

Average number of people (including directors) employed by the Company during the period.

Manufacturing	12
Administration	2

NOTES TO THE ACCOUNTS for the PERIOD 17th OCTOBER, 1991 to 30th SEPTEMBER, 1992.

4. EMPLOYEES.

Costs in respect of these employees:-

Salaries	94,963
Social Security Costs	8,553
	<u>£103,516</u>

5. STOCKS.

Raw Materials	61,869
Finished Goods and Goods for resale	31,915
	<u>£93,784</u>

6. DEBTORS.

(due within one year):-

Trade Debtors	22,486
Prepayments and Accrued Income	28,472
	<u>£50,958</u>

7. CREDITORS.

(amounts falling due within one year):-

Trade Creditors	226,689
Other Taxes and Social Security	17,088
Accruals and Deferred Income	17,023
Obligations under Finance Leases	46,054
	<u>£306,854</u>

8. CREDITORS.

(amounts falling due after more than one year):-

Obligations under Finance Lease	£205,127
Loan Account - The Brunel Trading Company Ltd.	30,000
Director's Loan Account -	21,400
T. E. Prudhoe.	
	<u>£256,527</u>

9. FINANCIAL COMMITMENTS.

Capital Commitments	
Contracted for but not provided in the accounts	-
Authorised but not contracted for	-
At 30th September, 1992.	<u>£ -</u>

ASPAR PHARMACEUTICALS LIMITED

NOTES TO THE ACCOUNTS for the PERIOD 17th OCTOBER, 1991 to 30th SEPTEMBER, 1992.

10. OPERATING LEASE COMMITMENTS.

The annual commitments under operating leases are analysed according to the period in which each lease expires, as follows:-

	<u>Motor Vehicle</u>	<u>Office Equipment</u>
Within one year	2,367	1,140
Between two to five years	-	-
After five years	-	-
	<u>£2,367</u>	<u>£1,140</u>

11. SUBSEQUENT EVENTS.

Since the date of the Balance Sheet the Company has allotted a further 60,000 Ordinary Shares of £1. each to the existing shareholders to increase the working capital.

12. DIRECTORS.

Mr. R. J. Stagg. is also a director of The Brunel Trading Company Ltd. A Company with whom the Company trades at arm's length and which is a significant shareholder in the Company.

13. DEFERRED TAXATION.

No provision has been made in the Accounts for the potential tax liability that would arise if the fixed assets were disposed of at balance sheet values. The potential liability at 30th September, 1992 amounted to £NIL; and is calculated at the current rate of Corporation Tax on the difference between the tax written down value of assets qualifying for tax allowances and the net book values of those Assets.

14. CALLED UP SHARE CAPITAL.

Authorised	
100,000 Ordinary Shares of £1. each	<u>100,000</u>
Allotted and fully paid	
30,100 Ordinary Shares of £1. each	<u>30,100</u>