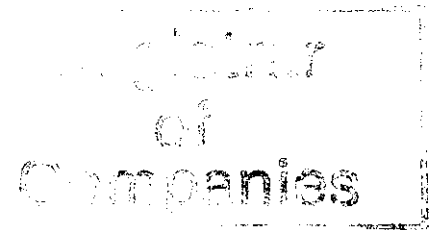


REGISTERED NUMBER: 2869577 (England and Wales)



ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

FOR

TOCRIS COOKSON LIMITED



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COMPANIES HOUSE

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TOCRIS COOKSON LIMITED

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for the Year Ended 30 June 2001**

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TOCRIS COOKSON LIMITED

COMPANY INFORMATION
for the Year Ended 30 June 2001

DIRECTORS:

H R Cookson
Prof R C Cookson
Prof P J Parsons
Dr D C Sunter
Prof J C Watkins
L Ede

SECRETARY:

H R Cookson

REGISTERED OFFICE:

Manor House
Stratford Tony
Salisbury
SP5 4AT

REGISTERED NUMBER:

2869577 (England and Wales)

AUDITORS:

Fawcetts
Chartered Accountants
and Registered Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

TOCRIS COOKSON LIMITED

REPORT OF THE DIRECTORS for the Year Ended 30 June 2001

The directors present their report with the financial statements of the company for the year ended 30 June 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of chemicals used principally for pharmacological research.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2001.

RESEARCH AND DEVELOPMENT

During the year the company continued its policy of investing in research and development.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors during the year under review were:

H R Cookson	
Prof R C Cookson	
Prof P J Parsons	
Dr D C Sunter	
Prof J C Watkins	
L Ede	- appointed 30.10.00

The beneficial interests of the directors holding office on 30 June 2001 in the issued share capital of the company were as follows:

	30.6.01	1.7.00 or date of appointment if later
Ordinary £1 shares		
H R Cookson	6,553	6,553
Prof R C Cookson	197	197
Prof P J Parsons	2,250	2,250
Dr D C Sunter	4,600	4,379
Prof J C Watkins	6,400	6,621
L Ede	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Continued on page 3

TOCRIS COOKSON LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 30 June 2001**


Continued from page 2

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

AUDITORS

The auditors, Fawcetts, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
H R Cookson - DIRECTOR

Dated:.....20/4/02

TOCRIS COOKSON LIMITED

**REPORT OF THE AUDITORS TO
TOCRIS COOKSON LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages five to fifteen, together with the full financial statements of the company for the year ended 30 June 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision 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 financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to fifteen are properly prepared in accordance with that provision.



Fawcetts
Chartered Accountants
and Registered Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR

Dated: 23.4.02

TOCRIS COOKSON LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the Year Ended 30 June 2001

		<u>2001</u>	<u>2000</u>
	Notes	£	£
GROSS PROFIT		1,701,371	1,559,935
Administrative expenses		<u>1,327,094</u>	<u>1,115,248</u>
OPERATING PROFIT	4	374,277	444,687
Interest receivable and similar income		<u>13,667</u>	<u>11,531</u>
		387,944	456,218
Interest payable and similar charges	5	<u>11,000</u>	<u>8,000</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		376,944	448,218
Tax on profit on ordinary activities	6	<u>86,184</u>	<u>53,997</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		290,760	394,221
Retained profit brought forward		<u>1,651,517</u>	<u>1,257,296</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£1,942,277</u></u>	<u><u>£1,651,517</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements


TOCRIS COOKSON LIMITED

ABBREVIATED BALANCE SHEET
30 June 2001

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		2,199,450		1,512,796
Investments	8		<u>6</u>		<u>6</u>
			2,199,456		1,512,802
CURRENT ASSETS:					
Stocks	9	142,400		133,500	
Debtors	10	569,796		422,471	
Cash at bank and in hand		<u>406,591</u>		<u>590,304</u>	
		1,118,787		1,146,275	
CREDITORS: Amounts falling due within one year	11	<u>577,027</u>		<u>338,543</u>	
NET CURRENT ASSETS:			<u>541,760</u>		<u>807,732</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,741,216		2,320,534
CREDITORS: Amounts falling due after more than one year	12		(469,042)		(469,042)
PROVISIONS FOR LIABILITIES AND CHARGES:	14		<u>(309,897)</u>		<u>(179,975)</u>
			<u><u>£1,962,277</u></u>		<u><u>£1,671,517</u></u>
CAPITAL AND RESERVES:					
Called up share capital	15		20,000		20,000
Profit and loss account			<u>1,942,277</u>		<u>1,651,517</u>
SHAREHOLDERS' FUNDS:	19		<u><u>£1,962,277</u></u>		<u><u>£1,671,517</u></u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:


.....
H R Cookson - DIRECTOR

Approved by the Board on 20/4/01

The notes form part of these financial statements

TOCRIS COOKSON LIMITED

**CASH FLOW STATEMENT
for the Year Ended 30 June 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
Net cash inflow from operating activities	1	753,472	534,447
Returns on investments and servicing of finance	2	2,667	3,531
Taxation		(15,841)	(31,127)
Capital expenditure	2	<u>(924,011)</u>	<u>(133,638)</u>
		(183,713)	373,213
Financing	2	<u>-</u>	<u>130,000</u>
(Decrease)/Increase in cash in the period		<u>£(183,713)</u>	<u>£503,213</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		<u>(183,713)</u>	<u>503,213</u>
Change in net funds resulting from cash flows		<u>(183,713)</u>	<u>503,213</u>
Movement in net funds in the period		<u>(183,713)</u>	<u>503,213</u>
Net funds at 1 July		<u>590,304</u>	<u>87,091</u>
Net funds at 30 June		<u>£406,591</u>	<u>£590,304</u>

The notes form part of these financial statements

TOCRIS COOKSON LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 30 June 2001**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	374,277	444,687
Depreciation charges	237,357	145,212
Increase in stocks	(8,900)	(2,250)
(Increase)/Decrease in debtors	(80,252)	52,696
Increase/(Decrease) in creditors	<u>230,990</u>	<u>(105,898)</u>
Net cash inflow from operating activities	<u><u>753,472</u></u>	<u><u>534,447</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest received	13,667	11,531
Interest paid	<u>(11,000)</u>	<u>(8,000)</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>2,667</u></u>	<u><u>3,531</u></u>
Capital expenditure		
Purchase of tangible fixed assets	<u>(924,011)</u>	<u>(133,638)</u>
Net cash outflow for capital expenditure	<u><u>(924,011)</u></u>	<u><u>(133,638)</u></u>
Financing		
Amount introduced by directors	<u>-</u>	<u>130,000</u>
Net cash inflow from financing	<u><u>-</u></u>	<u><u>130,000</u></u>

The notes form part of these financial statements

TOCRIS COOKSON LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 30 June 2001**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.00 £	Cash flow £	At 30.6.01 £
Net cash:			
Cash at bank and in hand	<u>590,304</u>	<u>(183,713)</u>	<u>406,591</u>
	<u>590,304</u>	<u>(183,713)</u>	<u>406,591</u>
 Total	 <u><u>590,304</u></u>	 <u><u>(183,713)</u></u>	 <u><u>406,591</u></u>
 Analysed in Balance Sheet			
Cash at bank and in hand	<u>590,304</u>		<u>406,591</u>
	<u><u>590,304</u></u>		<u><u>406,591</u></u>

The notes form part of these financial statements

TOCRIS COOKSON LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Year Ended 30 June 2001

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property	- over the remaining term of the lease
Improvements to property	- 10% on cost
Plant and machinery	- 10% on cost
Computer and office equipment	- 25% on cost and 20% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Grants

Grants relating to revenue expenditure are matched against that expenditure in the relevant period.

Consolidation

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2. OTHER OPERATING INCOME

	2001	2000
	£	£
Royalties and licence income	7,183	2,339
Grants received and sundry income	49,277	60,092
Tocris Cookson Inc administration fee	165,521	171,875
	<u>221,981</u>	<u>234,306</u>

TOCRIS COOKSON LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 June 2001**

3. STAFF COSTS

	2001	2000
	£	£
Wages and salaries	1,190,790	1,028,272
Social security costs	114,653	98,562
Other pension costs	55,402	44,265
	<u>1,360,845</u>	<u>1,171,099</u>

The average monthly number of employees during the year was as follows:

	2001	2000
Scientific	36	31
Administration	<u>24</u>	<u>19</u>
	<u>60</u>	<u>50</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Depreciation - owned assets	237,357	145,212
Auditors' remuneration	10,441	8,500
Foreign exchange differences	<u>(78,399)</u>	<u>(10,528)</u>
Directors' emoluments	84,270	55,228
Directors' pension contributions to money purchase schemes	<u>16,193</u>	<u>12,262</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2	1
Money purchase schemes	<u>2</u>	<u>1</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Other interest payable	<u>11,000</u>	<u>8,000</u>

TOCRIS COOKSON LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 June 2001**

6. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2001 £	2000 £
UK corporation tax	(67,073)	46,968
Prior year overprovision	-	(31,126)
Prior year underprovision	23,335	-
Deferred tax	<u>129,922</u>	<u>38,155</u>
	<u>86,184</u>	<u>53,997</u>

The tax credit in the current year has arisen due to the tax allowances that are available to the company because it is actively engaged in research and development. The main effect of these is to accelerate the capital allowances available on the company's capital expenditure. This in turn has led to the increase in the deferred tax provision.

7. TANGIBLE FIXED ASSETS

	Leasehold property	Improvements to property	Plant and machinery	Computer and office equipment	Totals
	£	£	£	£	£
COST:					
At 1 July 2000	549,086	87,610	1,136,334	85,806	1,858,836
Additions	<u>-</u>	<u>106,369</u>	<u>816,069</u>	<u>1,573</u>	<u>924,011</u>
At 30 June 2001	<u>549,086</u>	<u>193,979</u>	<u>1,952,403</u>	<u>87,379</u>	<u>2,782,847</u>
DEPRECIATION:					
At 1 July 2000	9,468	17,522	267,147	51,903	346,040
Charge for year	<u>4,734</u>	<u>19,392</u>	<u>195,142</u>	<u>18,089</u>	<u>237,357</u>
At 30 June 2001	<u>14,202</u>	<u>36,914</u>	<u>462,289</u>	<u>69,992</u>	<u>583,397</u>
NET BOOK VALUE:					
At 30 June 2001	<u>534,884</u>	<u>157,065</u>	<u>1,490,114</u>	<u>17,387</u>	<u>2,199,450</u>
At 30 June 2000	<u>539,618</u>	<u>70,088</u>	<u>869,187</u>	<u>33,903</u>	<u>1,512,796</u>

8. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 July 2000 and 30 June 2001	<u>6</u>
NET BOOK VALUE:	
At 30 June 2001	<u>6</u>
At 30 June 2000	<u>6</u>

TOCRIS COOKSON LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 June 2001**

8. FIXED ASSET INVESTMENTS - continued

	2001 £	2000 £
Unlisted investments	<u>6</u>	<u>6</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Tocris Cookson Inc

Country of incorporation: United States of America

Nature of business: Chemicals distributor

Class of shares:	%
1,000 1 cent shares	holding 100.00

	2001 £	2000 £
Aggregate capital and reserves	236,773	132,300
Profit for the year	<u>97,356</u>	<u>31,986</u>

9. STOCKS

	2001 £	2000 £
Stock of manufactured goods for sale	<u>142,400</u>	<u>133,500</u>

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001 £	2000 £
Value added tax	41,835	18,034
Trade debtors	366,986	356,019
Other debtors	7,812	490
Prepayments	39,872	6,902
Amounts owed by subsidiary undertaking	46,218	41,026
Corporation tax recoverable	<u>67,073</u>	-
	<u>569,796</u>	<u>422,471</u>

TOCRIS COOKSON LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 June 2001**

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade creditors	255,433	125,089
Directors current accounts	120,000	120,000
Amounts owed to subsidiary undertaking	88,879	-
Payroll taxes	39,676	33,484
Corporation tax	23,335	15,841
Accrued expenses	<u>49,704</u>	<u>44,129</u>
	<u>577,027</u>	<u>338,543</u>

The extent to which the directors current accounts are repayable is dependent on there being sufficient cash balances.

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2001	2000
	£	£
Directors current accounts (see note 13)	<u>469,042</u>	<u>469,042</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2001	2000
	£	£
Amounts falling due between two and five years:		
Directors current accounts	<u>469,042</u>	<u>469,042</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2001	2000
	£	£
Deferred tax	<u>309,897</u>	<u>179,975</u>
	Deferred	
	tax	
	£	
Balance at 1 July 2000	179,975	
Transfer from profit and loss account	<u>129,922</u>	
Balance at 30 June 2001	<u>309,897</u>	

TOCRIS COOKSON LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 30 June 2001

14. PROVISIONS FOR LIABILITIES AND CHARGES - continued

Deferred tax for which provision has been made in the financial statements and the amounts for which no provision has been made, are as follows:

	Provided		Not provided	
	2001	2000	2001	2000
	£	£	£	£
Accelerated capital allowances	<u>309,897</u>	<u>179,975</u>	<u>-</u>	<u>-</u>

15. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2001	2000
			£	£
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>

16. PENSION COMMITMENTS

The company makes contributions to a defined contribution pension scheme on behalf of certain employees. Contributions are charged to the profit and loss account as they fall due and amounted to £55,402 (2000 £44,265). There were no prepaid or outstanding contributions at the balance sheet date.

17. CAPITAL COMMITMENTS

	2001	2000
	£	£
Contracted but not provided for in the financial statements	<u>70,000</u>	<u>-</u>

18. POST BALANCE SHEET EVENTS

On 24 September 2001 L Ede was granted an option to purchase 1,451 ordinary shares in the company, 147 at £150 per share and 1,304 at £375 per share.

Also on 24 September 2001 the authorised share capital of the company was increased to 21,451 £1 ordinary shares.

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial year	<u>290,760</u>	<u>394,221</u>
Net addition to shareholders' funds	290,760	394,221
Opening shareholders' funds	<u>1,671,517</u>	<u>1,277,296</u>
Closing shareholders' funds	<u>1,962,277</u>	<u>1,671,517</u>
Equity interests	<u>1,962,277</u>	<u>1,671,517</u>