

**SEPHA PHARMACEUTICALS LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30TH SEPTEMBER 2000**



**SEPHA PHARMACEUTICALS LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH SEPTEMBER 2000**

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# SEPHA PHARMACEUTICALS LIMITED

## AUDITORS' REPORT TO THE COMPANY

UNDER ARTICLE 255B OF THE COMPANIES (NORTHERN IRELAND) ORDER 1986

We have examined the abbreviated financial statements on pages 2 to 6, together with the financial statements of the company prepared under Article 234 of the Companies (Northern Ireland) Order 1986 for the year ended 30th September 2000.

### RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

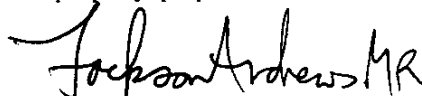
The directors are responsible for preparing the abbreviated financial statements in accordance with Article 254 of the Companies (Northern Ireland) Order 1986. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated financial statements prepared in accordance with Articles 254(5) and (6) of the Order to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 Articles 246(5) and (6) of the Companies (Northern Ireland) Order 1986, and the abbreviated financial statements on pages 2 to 6 are properly prepared in accordance with those provisions.



JACKSON ANDREWS MRI  
Chartered Accountants  
& Registered Auditors

Andras House  
60 Great Victoria Street  
Belfast  
BT2 7ET

13/12/00

## SEPHA PHARMACEUTICALS LIMITED

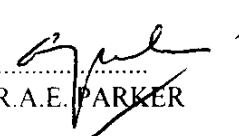
## ABBREVIATED BALANCE SHEET

AS AT 30TH SEPTEMBER 2000

	Note	2000 £	1999 £
<b>FIXED ASSETS</b>	<b>2</b>		
Intangible assets		30,881	21,632
Tangible assets		112,199	99,891
		<u>143,080</u>	<u>121,523</u>
<b>CURRENT ASSETS</b>			
Stocks		101,176	138,200
Debtors		166,890	198,951
Cash at bank and in hand		16,261	123,909
		<u>284,327</u>	<u>461,060</u>
<b>CREDITORS: Amounts falling due within one year</b>	<b>3</b>	<u>(285,665)</u>	<u>(454,077)</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(1,338)</u>	<u>6,983</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>141,742</u>	<u>128,506</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	<b>4</b>	(35,520)	(43,344)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		(11,615)	(6,852)
<b>GOVERNMENT GRANTS</b>	<b>5</b>	<u>(3,680)</u>	<u>(4,580)</u>
<b>NET ASSETS</b>		<u>90,927</u>	<u>73,730</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	<b>6</b>	20,000	30,000
Other reserves		10,000	-
Profit and loss account		60,927	43,730
<b>SHAREHOLDERS' FUNDS</b>		<u>90,927</u>	<u>73,730</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VIII of the Companies (Northern Ireland) Order 1986.

These abbreviated financial statements were approved by the directors on the 30th November 2000 and are signed on their behalf by:

  
MR. A.E. PARKER

# SEPHA PHARMACEUTICALS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2000

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Patents**

Intangible fixed assets comprise the registration costs of a patent in various parts of the world. These are shown at the cost of registering the ownership of the patents.

#### **Research and development**

Research and development expenditure is written off as incurred.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Patents            over 19 years

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost, or valuation, less accumulated depreciation.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Building alterations	10%-13%	straight line
Plant and machinery	5%-10%	straight line
Fixtures and fittings	10%-25%	straight line
Motor vehicles	25%	straight line

#### **Stocks**

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

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

# SEPHA PHARMACEUTICALS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2000

### 1. ACCOUNTING POLICIES *(continued)*

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

#### 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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### Deferred government grants

Government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

### 2. FIXED ASSETS

	Intangible Assets £	Tangible Fixed Assets £	Total £
<b>COST</b>			
At 1st October 1999	22,834	195,355	218,189
Additions	11,001	39,266	50,267
Disposals	-	(1,900)	(1,900)
At 30th September 2000	<u>33,835</u>	<u>232,721</u>	<u>266,556</u>
<b>DEPRECIATION</b>			
At 1st October 1999	1,202	95,464	96,666
Charge for year	1,752	25,438	27,190
On disposals	-	(380)	(380)
At 30th September 2000	<u>2,954</u>	<u>120,522</u>	<u>123,476</u>
<b>NET BOOK VALUE</b>			
At 30th September 2000	<u>30,881</u>	<u>112,199</u>	<u>143,080</u>
At 30th September 1999	<u>21,632</u>	<u>99,891</u>	<u>121,523</u>

# SEPHA PHARMACEUTICALS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2000

### 2. FIXED ASSETS *(continued)*

### 3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2000	1999
	£	£
Bank loans and overdrafts	<u>11,536</u>	<u>75,980</u>

### 4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2000	1999
	£	£
Bank loans and overdrafts	<u>20,599</u>	<u>31,254</u>

### 5. GOVERNMENT GRANTS

	2000	1999
	£	£
Received and receivable	9,160	9,160
Amortisation	<u>(5,480)</u>	<u>(4,580)</u>
	<u>3,680</u>	<u>4,580</u>

### 6. SHARE CAPITAL

#### Authorised share capital:

	2000	1999
	£	£
100,000 Ordinary shares of £1 each	100,000	100,000
10,000 Redeemable preference shares of £1 each	<u>10,000</u>	<u>10,000</u>
	<u>110,000</u>	<u>110,000</u>

## SEPHA PHARMACEUTICALS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2000

6. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	2000		1999	
	No.	£	No.	£
Ordinary shares	20,000	20,000	20,000	20,000
Redeemable preference shares	-	-	10,000	10,000
	<u>20,000</u>	<u>20,000</u>	<u>30,000</u>	<u>30,000</u>

Redeemable preference shares were redeemed at par on 4th October 1999.