

**FUTURA MEDICAL PLC  
(FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2002**

Company Registration Number 04206001 (England and Wales)



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COMPANIES HOUSE

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0311  
15/06/02

# **FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

## **CONTENTS FOR THE YEAR ENDED 31 JANUARY 2002**

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	<b>Pages</b>
Directors' report	1 -2
Independent Auditors' report	3
Consolidated profit and loss account	4
Balance sheets	5
Consolidated cash flow statement	6
Notes to the consolidated cash flow statement	7
Notes to the financial statements	8 - 17

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# **FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2002**

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The Directors present their report and financial statements for the year ended 31 January 2002.

### **Principal activities**

The principal activity of the group is the research, development, production and sale of pharmaceutical products.

### **Review of business and future developments**

The company was incorporated on 25<sup>th</sup> April 2001 to act as the holding company for Futura Medical Developments Limited and on 6<sup>th</sup> June 2001 the company acquired the entire share capital of Futura Medical Developments Limited in a share for share exchange.

The company changed its name from Futura (Holdings) Plc to Futura Medical Plc on 11<sup>th</sup> July 2001.

The company successfully raised £3,300,000 before expenses through a private placing of shares on 2<sup>nd</sup> January 2002. These funds have been used to repay shareholder loans and to provide working capital for further research and development. During the year the group has continued to incur research and development costs which have been written off as incurred.

The results for the year are set out in the profit and loss account on page 5.

### **Dividends**

The directors do not recommend payment of a dividend in respect of the year ended 31 January 2002.

### **Directors**

The following directors have held office since 25<sup>th</sup> April 2001:

J H Barder	(appointed 25/04/01)
Dr W D Potter	(appointed 12/06/01)
Dr R Pruijm	(appointed 12/06/01)
A L Clayden	(appointed 08/10/01)
R Drury	(appointed 24/09/01)
D B Davies	(appointed 24/09/01)
A L Staveley	(appointed 30/01/02)
C A Kemp	(appointed 25/04/01, resigned 08/02/02)
E Verdonck	(appointed 12/06/01, resigned 08/10/01)

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2002

## Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £0.002 each			
	31 January 2002		1 February 2001	
	Beneficial Interests	Other interests	Beneficial interests	Other interests
J H Barder	236,997	314,500	-	-
Dr W D Potter	-	-	-	-
Dr R Pruijm	-	-	-	-
A L Clayden	-	-	-	-
R Drury	-	-	-	-
D B Davies	15,152	-	-	-
A L Staveley	-	-	-	-

Since the year end certain directors have been granted options to acquire further shares in the company. Full details are set out in Note 14 of the financial statements.

No options were exercised during the year.

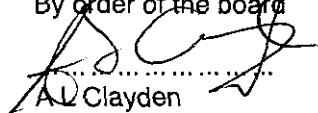
## Directors' responsibilities

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 group and company and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board

  
.....  
A L Clayden  
Secretary

30 APRIL 2002  
.....

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

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We have audited the financial statements of Futura Medical Developments Limited on pages 4 to 17 for the year ended 31 January 2002. These financial statements have been prepared under the historic cost convention and the accounting policies set out herein.

### Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We report to you if in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

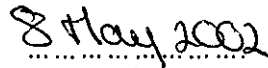
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the group and company's affairs at 31 January 2002 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Blueprint Audit Limited

Registered Auditor

  
8 May 2002

Clifton House  
Bunnian Place  
Basingstoke  
Hampshire  
RG21 7JE

**FUTURA MEDICAL PLC**  
**(FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 JANUARY 2002**

	Notes	2002 £	2001 £
Research and development expenditure		(682,902)	(206,557)
Administrative expenses		(660,416)	(185,032)
<b>Operating loss</b>	<b>2</b>	<b>(1,343,318)</b>	<b>(391,589)</b>
Other interest receivable and similar income	5	22,163	5,760
Interest payable and similar similar charges	6	(28,872)	(16,375)
<b>Loss on ordinary activities before taxation</b>		<b>(1,350,027)</b>	<b>(402,204)</b>
Tax on loss on ordinary activities	7	100,000	29,998
<b>Loss on ordinary activities after taxation</b>	<b>17</b>	<b>(1,250,027)</b>	<b>(372,206)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

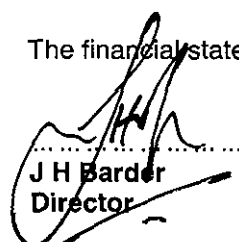
There are no recognised gains and losses other than those passing through the profit and loss account.

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## BALANCE SHEETS AS AT 31 JANUARY 2002

	Note	Group 2002	2001	Company 2002
		£	£	£
<b>Fixed Assets</b>				
Tangible assets	8	43,286	1,874	-
Investments	9	-	-	60,724
		<u>43,286</u>	<u>1,874</u>	<u>60,724</u>
<b>Current Assets</b>				
Debtors	10	174,968	44,435	1,130,677
Cash at bank and in hand		2,042,741	289,863	1,990,422
		<u>2,217,709</u>	<u>334,298</u>	<u>3,121,099</u>
<b>Creditors: amounts falling due within one year</b>	11	(262,213)	(102,526)	(75,657)
<b>Net current assets</b>		1,955,496	231,772	3,045,442
<b>Creditors: amounts falling due after more than one year</b>	12	-	(526,549)	-
<b>Net assets</b>		<u>1,998,782</u>	<u>(292,903)</u>	<u>3,106,166</u>
<b>Capital and reserves</b>				
Called up share capital	13	80,724	58,824	80,724
Share premium account	18	3,018,212	650,565	3,018,212
Other reserves	16	1,152,165	-	-
Profit and loss account	17	(2,252,319)	(1,002,292)	7,230
<b>Equity shareholders' funds/ (deficit)</b>	18	<u>1,998,782</u>	<u>(292,903)</u>	<u>3,106,166</u>

The financial statements on pages 4 to 17 were approved by the Board on ..... 30 APRIL 2002

  
 J H Barder  
 Director

**FUTURA MEDICAL PLC**  
**(FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JANUARY 2002**

	Note	2002 £	2001 £
<b>Net cash outflow from operating activities</b>	1	(1,189,074)	(322,575)
<b>Returns on investments and servicing of finance</b>			
Interest received		22,163	5,760
Interest paid		(45,219)	(28)
<b>Net cash (outflow)/inflow from returns on Investments and servicing of finance</b>		(23,056)	5,732
<b>Capital expenditure</b>			
Payments to acquire tangible assets		(50,155)	(2,091)
<b>Net cash outflow from capital expenditure</b>		(50,155)	(2,091)
<b>Net cash outflow before financing</b>		(1,262,285)	(318,934)
<b>Financing</b>			
Issue of ordinary shares		3,803,500	600,006
Expenses paid in connection with share issues		(261,788)	
Shareholder loans		150,000	-
Repayment of shareholder loans		(676,549)	-
<b>Net cash inflow from financing</b>		3,015,163	600,006
<b>Increase in net cash</b>	3	1,752,878	281,072

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2002

**1 Reconciliation of operating loss to net cash inflow from operating activities**

	2002 £	2001 £
Operating loss	(1,343,318)	(391,589)
Brought forward patent costs written off	-	22,602
Depreciation on tangible fixed assets	8,743	958
Increase in debtors	(30,535)	(8,270)
Increase in creditors	176,036	53,724
	<u>(1,189,074)</u>	<u>(322,575)</u>

**2 Analysis of net debt**

	At 1 February 2001	Cash flow	At 31 January 2002
Cash at bank and in hand	289,863	1,752,878	2,042,741
Debts due after one year	(526,549)	526,549	-
	<u>(236,686)</u>	<u>2,279,427</u>	<u>2,042,741</u>

**3 Reconciliation of net cash flow to movement in net debt**

	2002 £	2001 £
Increase in cash in the period	1,752,878	281,072
Cash inflow from increase in debt	526,549	-
	<u>2,279,427</u>	<u>281,072</u>
Movement in net debt in the period	2,279,427	281,072
Net debt at 1 February 2001	(236,686)	(517,758)
	<u>(236,686)</u>	<u>(517,758)</u>
Net funds/(debt) at 31 January 2002	<u>2,042,741</u>	<u>(236,686)</u>

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

Based on the company's cashflow projections and forecasts for the period ending 12 months from the date of approval of these financial statements the directors consider that the company will continue to operate and meet all of its committed expenditure and debts as they fall due. However the level of surplus cash resources is not large given the future research and development programme budgeted, and inherently there can be no certainty in these matters. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

#### 1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

#### 1.3 Basis of consolidation

The consolidated financial statements include the results of the company and its subsidiary, Futura Medical Developments Limited, for the year ended 31 January 2002.

The subsidiary was acquired on 6<sup>th</sup> June 2001 via a share for share exchange. Under the provisions of Financial Reporting Standard 6, Acquisitions and Mergers, the acquisition fulfils the requirements of a group reconstruction and therefore has been accounted for using merger accounting.

The consolidated profit and loss account includes the results of the subsidiary for the year and the subsidiary's reserves have been credited to group reserves. All intra-group sales and profit are eliminated on consolidation.

As permitted by Section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements.

#### 1.5 Research and development

Research expenditure and patent costs are written off to the profit and loss account in the year in which they are incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% Straight line
Fixtures, fittings & equipment	25% Straight line

#### 1.6 Deferred taxation

Full provision is made for deferred taxation using tax rates that have been enacted or substantially enacted.

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

### 1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 1.10 Pension costs

The pension costs charged in the financial statements represent the contributions payable by the company during the period in accordance with SSAP 24.

## 2 Operating profit

	2002 £	2001 £
Operating profit is stated after charging:		
Depreciation of tangible assets	8,743	958
Auditors' remuneration – Blueprint Audit Limited		
- Audit services	7,750	5,000
Directors emoluments	<u>267,905</u>	<u>89,217</u>

## 3 Information regarding directors and employees

The average monthly number of persons employed by the group during the year which include directors, and their aggregate emoluments are shown below:

	2002 No.	2001 No.
Management and administration	<u>6</u>	<u>1</u>

The costs incurred in respect of those employed were:

	£	£
Wages and salaries	295,518	78,000
Social security costs	31,363	9,164
Other pension costs	19,292	-
	<u>346,173</u>	<u>87,164</u>

**FUTURA MEDICAL PLC**  
**(FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2002**

**4 Directors' emoluments**

	2002 £	2001 £
<b>Directors</b>		
Aggregate emoluments	<u>267,505</u>	<u>89,217</u>
Company pension contributions	<u>17,792</u>	<u>-</u>

Emoluments disclosed above include the following amounts paid to the highest director:

	£	£
Aggregate emoluments	<u>105,782</u>	<u>89,217</u>
Company pension contributions to money purchase scheme	<u>7,167</u>	<u>-</u>

**5 Other interest receivable and similar income**

	2002 £	2001 £
Bank interest	<u>22,163</u>	<u>5,760</u>

**6 Interest payable and similar charges**

	2002 £	2001 £
On shareholder loans	27,820	16,375
Bank interest	1,052	-
	<u>28,872</u>	<u>16,375</u>

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

### 7 Taxation

	2002 £	2001 £
<b>Current period taxation</b>		
UK corporation tax at 20% (2001 – 20%)	(100,000)	(29,998)
<b>Prior years</b>		
UK corporation tax	-	-
	<u>(100,000)</u>	<u>(29,998)</u>

The £100,000 (2001 - £29,998) represents a repayable amount from the Inland Revenue in respect of the research and development tax credit (Finance Act 2000 Schedule 19 and 20).

### 8 Tangible fixed assets

#### Group

	Plant & machinery £	Equipment & office furniture £	Total £
<b>Cost</b>			
At 1 February 2001	1,399	2,431	3,830
Additions	20,722	29,433	50,155
At 31 January 2002	<u>22,121</u>	<u>31,864</u>	<u>53,985</u>
<b>Depreciation</b>			
At 1 February 2001	1,138	818	1,956
Charge for year	3,335	5,408	8,743
At 31 January 2002	<u>4,473</u>	<u>6,226</u>	<u>10,699</u>
<b>Net book value</b>			
At 31 January 2002	<u>17,648</u>	<u>25,638</u>	<u>43,286</u>
At 31 January 2001	<u>261</u>	<u>1,613</u>	<u>1,874</u>

All fixed assets of the group are held in Futura Medical Developments Limited.

**FUTURA MEDICAL PLC  
(FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2002**

**9 Fixed asset investments**

<b>Company</b>	<b>Shares in subsidiary undertakings £</b>
Cost and net book value at 1 February 2001	-
Additions	60,724
	<hr/>
Cost and net book value at 31 January 2002	60,724
	<hr/> <hr/>

**Interests in group undertakings**

Subsidiary undertaking	Description of shares held	Proportion of nominal value of issued shares held
Futura Medical Developments Limited	Ordinary £1 shares	100%

The above company is incorporated in England and Wales, and is included in the consolidated accounts.

Futura Medical Developments Limited undertakes research, development, production and sale of pharmaceutical products.

**FUTURA MEDICAL PLC**  
**(FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2002**

**10 Debtors**

	<b>Group</b>		<b>Company</b>
	<b>2002</b>	<b>2001</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Amounts owed by subsidiary	-	-	1,130,619
Other debtors	164,116	38,962	58
Prepayments and accrued income	10,852	5,473	-
	<u>174,968</u>	<u>44,435</u>	<u>1,130,677</u>

**11 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>
	<b>2002</b>	<b>2001</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	164,009	57,626	72,407
Other taxes and social security costs	17,115	-	-
Accruals and deferred income	81,089	32,400	3,250
Other creditors	-	12,500	-
	<u>262,213</u>	<u>102,526</u>	<u>75,657</u>

**12 Creditors : amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>
	<b>2002</b>	<b>2001</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Shareholder loans	-	526,549	-
	<u>-</u>	<u>526,549</u>	<u>-</u>

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

### 13 Share capital

	2002 £
<b>Authorised</b>	
500,000,000 ordinary shares of 0.2 pence each	1,000,000
<b>Allotted, called up and fully paid</b>	
Issued on incorporation	2
Issued on acquisition of Futura Medical Developments Limited	60,722
	<u>60,724</u>
Issued on private placing	20,000
	<u>80,724</u>

On incorporation the company's authorised share capital was 1,000,000 ordinary shares of £1 each. 2 ordinary £1 shares were issued at par.

On the 6<sup>th</sup> June 2001 the company acquired the whole of the issued share capital of Futura Medical Developments Limited in exchange for 60,724 ordinary £1 shares.

On 12<sup>th</sup> June 2001 the company sub-divided each of its 1,000,000 £1 ordinary shares into 500 ordinary shares of 0.2 pence each.

On 2<sup>nd</sup> January 2002 the company issued 10,000,000 0.2 pence through a private placing at 33 pence each. The shares were issued a premium of £3,280,000.

### 14 Share options

Mr J H Barder, Mr A L Clayden and Mr D B Davies, being directors of the company, are entitled to purchase the number of shares shown below at the option prices stated under an Enterprise Management Incentive Scheme. The Enterprise Management Initiative Scheme options were granted on 5 March 2002. The options can be extended at any time for 2 years from 1 February 2004.

The options granted over 0.2 pence ordinary shares were as follows:

Price Per share	A L Clayden	D B Davies	J H Barder	Total options granted
33 pence	500,000	1,000,000	-	1,500,000
53 pence	-	-	250,000	250,000
	<u>500,000</u>	<u>1,000,000</u>	<u>250,000</u>	<u>1,750,000</u>

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

Mr R Drury, Dr W D Potter, Dr R Pruijm and Miss A L Staveley, being directors of the company, are entitled to purchase the number of shares shown below at the option prices stated under a Pre-IPO Scheme. The Pre-IPO Scheme options were granted on 21 March 2002. The options can be extended at any time for 2 years from 1 February 2004.

The options granted over 0.2 pence ordinary shares were as follows:

Price Per share	R Drury	Dr W D Potter	Dr R Pruijm	A L Staveley	Total options granted
33 pence	100,000	250,000	15,000	100,000	465,000
53 pence	-	125,000	-	-	125,000
	<u>100,000</u>	<u>375,000</u>	<u>15,000</u>	<u>100,000</u>	<u>590,000</u>

### 15 Acquisitions

On the 6<sup>th</sup> June 2001 the company acquired the whole of the issued share capital of Futura Medical Developments Limited. The transaction has been accounted for as a merger.

The summarised profit and loss account and statements of total recognised gains and losses for Futura Medical Developments Limited for the period from 1 February 2001, the beginning of the subsidiary's financial year, to date of acquisition are as follows:

	Period ended 6 <sup>th</sup> June 2001 £
Operating loss	<u>(313,280)</u>
Loss on ordinary activities before taxation	(309,094)
Tax on ordinary activities	-
Loss on ordinary activities after taxation	<u>(309,094)</u>

During the year Futura Medical Plc did not trade and, apart from £10,480 interest received and audit fees of £3,250, all profit and loss account movements relate to the subsidiary company, Futura Medical Developments Limited.

# FUTURA MEDICAL PLC (FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2002

### 15 Acquisitions (continued)

The assets and liabilities of Futura Medical Developments Limited at acquisition are set out below:

	On acquisition £
Tangible fixed assets	43,328
	<u>43,328</u>
<b>Current assets</b>	
Debtors	71,081
Cash	459,464
	<u>530,545</u>
Creditors due within one year	(145,820)
<b>Net current assets</b>	<u>384,725</u>
<b>Total assets less current liabilities</b>	428,053
Creditors due after one year	(526,549)
Net liability on acquisition	<u>(98,496)</u>

Futura Medical Plc was incorporated on 25<sup>th</sup> April 2001 and so the comparative figures as shown in the financial statements relate to the wholly owned subsidiary, Futura Medical Developments Limited.

### 16 Reserves

	Share capital/ premium £	Other reserves £	Profit and Loss Account £	Total £
<b>Shareholders' funds as previously reported by</b>				
Futura Medical Plc	-	-	-	-
Futura Medical Developments Ltd	1,212,889	-	(1,002,292)	210,597
Merger reserve adjustment	(1,152,165)	1,152,165	-	-
	<u>60,724</u>	<u>1,152,165</u>	<u>(1,002,292)</u>	<u>210,597</u>
<b>Merged shareholders' funds as at 6 June</b>				

As at 1 February 2001 Futura Medical Developments Limited had share capital of £58,824 and share premium of £650,565. A further 1,900 ordinary shares of £1 each were allotted and fully paid at a premium of £501,600 for cash consideration.

**FUTURA MEDICAL PLC**  
**(FORMERLY KNOWN AS FUTURA (HOLDINGS) PLC)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2002**

**17 Profit and loss account**

	Group £	Company £
At 1 January 2001	(1,002,292)	-
(Loss)/profit for the year	(1,250,027)	10,480
Closing shareholders' (deficit)/funds	<u>(2,252,319)</u>	<u>10,480</u>

**18 Share premium**

	Group & company 2002 £
At 1 January 2001	-
Premium on shares issued during the year	3,280,000
Less share issue costs	(261,788)
At 31 January 2002	<u>3,018,212</u>

**19 Reconciliation of movements in shareholders' funds**

	Group £	Company £
(Loss)/profit for the financial year	(1,250,027)	10,480
Proceeds from issue of shares	3,038,212	3,098,936
Net addition to shareholders' funds	1,788,185	3,109,416
Opening shareholders funds	210,597	-
Closing shareholders' funds	<u>1,998,782</u>	<u>3,109,416</u>

**20 Related party transactions**

During the period the company lent Futura Medical Developments Limited, its wholly owned subsidiary, £1,267,500. At the balance sheet date the amount owed by Futura Medical Developments Limited amounted to £1,130,169.

Prior to signing a contract of employment and become Chief Executive on 18 June 2001, J H Barder provided consulting services through Naylands Dibble Limited. Of the total fees of £23,517, none were outstanding at 31 January 2002.

Dr W D Potter also provides consulting services to Futura Medical Developments Limited through Stapleford Scientific Services. Of the total fees and expenses of £19,056, the amount outstanding at 31 January 2002 was £2,063.

**21 Ultimate controlling party**

The directors do not believe there to be an ultimate controlling party.