

Martindale Pharmaceuticals Limited
Annual report and financial statements
for the year ended 30 June 2005

Registered Number 01073169



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Martindale Pharmaceuticals Limited

Annual report and financial statements for the year ended 30 June 2005

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Martindale Pharmaceuticals Limited

Directors and advisers

Directors

AG Oades

DW West

A Tittershill

EW Thom

JF Parker (resigned 3 September 2004)

AG Kay (appointed 3 September 2004, resigned 31 December 2005)

JW Earnshaw (resigned 30 September 2005)

MJ Saunders (resigned 30 September 2005)

M Comerford (resigned 28 February 2006)

MA Taylor (resigned 30 September 2005)

Secretary

SD Lofthouse

Registered office

Bampton Road

Harold Hill

Romford

RM3 8UG

Auditors

Ernst & Young LLP

PO Box 61

Cloth Hall Court

14 King Street

Leeds

LS1 2JN

Martindale Pharmaceuticals Limited

Directors' report for the year ended 30 June 2005

The directors present their report and the financial statements for the year ended 30 June 2005.

Principal activity and business review

The company has not traded during the year. On 14 September 2004, the company acquired the entire issued share capital of Eldon Laboratories Limited for a cash consideration of £14,906,000. This was the only transaction in the year.

Directors and their interests

The directors who served during the year are shown on page 1.

None of the directors had any beneficial interests in the share capital of the company or of any Cardinal Health company in the UK during the year.

Statement of directors' responsibilities

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

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 June 2005 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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

A resolution to reappoint Ernst & Young LLP as auditors to the company will be proposed at the annual general meeting.

By order of the Board



DW West

Director

27 April 2006

Martindale Pharmaceuticals Limited

Independent auditors' report to the members of Martindale Pharmaceuticals Limited

We have audited the company's financial statements for the year ended 30 June 2005 which comprise the Balance sheet, the related notes 1 to 7 and the accounting policies set out in the statement of Accounting policies. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with United Kingdom law and 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 also 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 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 or material inconsistencies with the financial statements.

Basis of audit 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 company'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 affairs of the company at 30 June 2005 and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Registered Auditor

Leeds

28 April 2006

Ernst & Young LLP

Martindale Pharmaceuticals Limited

Balance sheet as at 30 June 2005

	Note	2005 £'000	2004 £'000
Fixed assets			
Investments	4	14,906	-
Creditors: amounts falling due within one year			
	5	(14,906)	-
Net current liabilities		(14,906)	-
Total assets less current liabilities		-	-
Capital and reserves			
Called up share capital	6	-	-
Equity shareholders' funds		-	-

The financial statements on pages 4 to 6 were approved by the board of directors on 27 April 2006 and were signed on its behalf by:



DW West
Director

Martindale Pharmaceuticals Limited

Notes to the financial statements for the year ended 30 June 2005

Accounting Policies

Basis of accounting

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

Investments

Fixed asset investments are stated at cost less any provision for impairment required under Financial Reporting Standard Number 11.

1 Basis of preparation

Fundamental accounting concept

The accounts have been prepared under the going concern concept because the company's parent undertaking has agreed to provide finance to enable the company to meet its debts as they fall due.

Group accounts

Group accounts are not prepared as the company is a wholly owned subsidiary undertaking of Cardinal Health Holding Limited.

2 Trading

The company did not trade during the year, did not incur any liabilities and consequently made neither a profit nor a loss.

3 Directors and employees

The directors did not receive any emoluments in respect of their services to the company. The company had no employees during the year.

4 Investment

During the year the company acquired the entire issued share capital of Eldon Laboratories Limited for a cash consideration of £14,906,000. Eldon Laboratories Limited principal activity is the manufacture and distribution of pharmaceutical products to retail pharmacies in the UK.

5 Creditors: amounts falling due within one year

	2005 £'000	2004 £'000
Amounts owed to group undertakings	14,906	-

Martindale Pharmaceuticals Limited

Notes to the financial statements for the year ended 30 June 2005 (continued)

6 Called up share capital

	2005		2004	
	Number	£	Number	£
Authorised share capital				
Ordinary shares of £1 each	100	100	100	100
Called up share capital				
Ordinary shares of £1 each	100	100	100	100

7 Ultimate parent undertaking

The parent undertaking of the smallest group of undertakings of which the company is a member and for which group accounts are drawn up is Cardinal Health Holdings Limited.

Cardinal Health Inc., a company incorporated in the United States of America, is the ultimate parent company and heads the largest group in which the results of the company and its subsidiaries are consolidated. The consolidated financial statements of Cardinal Health Inc. are available to the public and may be obtained from:

Investor Relations Departments
Cardinal Health Inc.
7000 Cardinal Place
Dublin
Ohio 43017
United States of America

or www.cardinal.com