

Company Registration No. 02952675 (England and Wales)

**MINSTER MERSEYSIDE VENTURES
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2003



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MINSTER MERSEYSIDE VENTURES LIMITED

COMPANY INFORMATION

Directors	J.R. Marsden Dr. A. Mawson
Secretary	C. Van Kempen
Company Number	02952675
Registered Office	1 Castle Lane London SW1E 6DN
Auditors	Creaseys Chartered Accountants and Registered Auditors 12 Lonsdale Gardens Tunbridge Wells Kent TN1 1PA
Bankers	National Westminster Bank City Business Centre 15 Bishopsgate London EC2P 2AP

MINSTER MERSEYSIDE VENTURES LIMITED

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MINSTER MERSEYSIDE VENTURES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2003

The directors present their report and financial statements for the year ended 30 September 2003.

Principal activity and review of the business

During the financial year ending 30th September 2001 the company ceased being the General Partner of the limited partnership, The Merseyside Special Investment Venture Fund. The company has not traded during the year and it is anticipated that this situation will continue in the future.

Dividends

The directors do not recommend payment of a dividend.

Directors

The following directors have held office since 1 October 2002:

J.R. Marsden
Dr. A. Mawson

Directors' interests

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

	Ordinary shares of £ 1 each	
	30 September 2003	1 October 2002
J.R. Marsden	-	-
Dr. A. Mawson	-	-

The interests of the directors in the holding company, Innvotec Limited, are disclosed in that company's accounts.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Creaseys be reappointed as auditors of the company will be put to the Annual General Meeting.

MINSTER MERSEYSIDE VENTURES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

Directors' responsibilities

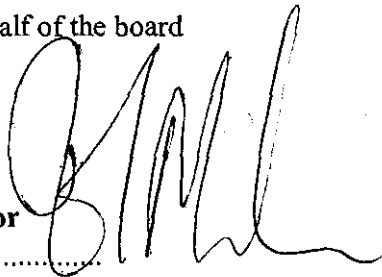
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- 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.

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.

On behalf of the board

Director



26 JANUARY 2004

MINSTER MERSEYSIDE VENTURES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MINSTER MERSEYSIDE VENTURES LIMITED

We have audited the financial statements of Minster Merseyside Ventures Limited on pages 5 to 7 for the year ended 30 September 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

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 the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the 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 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 within it.

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.

MINSTER MERSEYSIDE VENTURES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF MINSTER MERSEYSIDE VENTURES LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Creaseys

Chartered Accountants
Registered Auditor

29th January 2004

12 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1PA

MINSTER MERSEYSIDE VENTURES LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2003

	Notes	2003 £	£	2002 £	£
Current assets					
Debtors	4	56,076		128,983	
Creditors: amounts falling due within one year	5	<u>(56,074)</u>		<u>(128,981)</u>	
Total assets less current liabilities			<u>2</u>		<u>2</u>
Capital and reserves					
Called up share capital	6		<u>2</u>		<u>2</u>
Shareholders' funds - equity interests	7		<u>2</u>		<u>2</u>

The financial statements were approved by the Board on

26 January 2004

Director

MINSTER MERSEYSIDE VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

2 Profit and loss account

The 2003 and 2002 audit fees and other expenses have been borne by the parent company Innvotec Limited.

The company did not trade during the year and has made neither profits or losses.

3 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

4 Debtors	2003 £	2002 £
Amounts owed by parent and fellow subsidiary undertakings	<u>56,076</u>	<u>128,983</u>
5 Creditors: amounts falling due within one year	2003 £	2002 £
Other creditors	<u>56,074</u>	<u>128,981</u>
6 Share capital	2003 £	2002 £
Authorised 1,000 Ordinary shares of £ 1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid 2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>

MINSTER MERSEYSIDE VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

7	Reconciliation of movements in shareholders' funds	2003 £	2002 £
	Result for the financial year	-	-
	Opening shareholders' funds	2	2
	Closing shareholders' funds	2	2

8 Contingent liabilities

The company is jointly contingently liable for a £7,500 (2002 - £15,000) loan made by Mr J. R. Marsden, a director of the ultimate parent company Innvotec Limited. Security is given by a charge over the fixed and floating assets of the company, its fellow subsidiary undertakings and Innvotec Limited.

9 Employees

Number of employees

There were no employees during the year apart from the directors.

10 Control

The ultimate controlling parent company is Innvotec Limited, a company registered in England and Wales.

11 Related party transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to disclose inter-group transactions and balances because the company is a wholly owned subsidiary, and the details of the company are publicly available in the consolidated accounts of the parent company.

At the year end the company owed The Merseyside Special Investment Venture Fund, for which it ceased to be the general partner in the 2001 financial year £56,074 (2002 : £128,981). This amount arose from transactions between the company and the fund during the process of the sale of the fund.