

Company Registration No. 4095774 (England and Wales)

**ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**



# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## DIRECTORS AND ADVISERS

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<b>Directors</b>	Dr R Pirzad Dr A Cooke
<b>Secretary</b>	Dr A Cooke
<b>Company number</b>	4095774
<b>Registered office</b>	Anglia House 285 Milton Road Cambridge CB4 1XQ
<b>Registered auditors</b>	Ensors Anglia House 285 Milton Road Cambridge CB4 1XQ
<b>Bankers</b>	Barclays Bank Plc Barclays Business Centre 28 Chesterton Road Cambridge CB4 3AZ

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# **ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES**

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# **ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2007***

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The directors present their report and financial statements for the year ended 31 December 2007

### **Directors**

The following directors have held office since 1 January 2007

Dr R Pirzad

Dr A Cooke

### **Principal activities and review of the business**

The principal activity of the group is the research, development and manufacture of products to detect allergens in the domestic or industrial environment

The reporting period has seen the company and group continuing to reduce its costs

As previously reported, in October 2002 Acaris announced a product development programme and technology licensing agreement with City Technology Limited (part of First Technology Group plc) for the detection of airborne allergens in the detergent manufacturing industry to reduce occupational asthma as imposed by health and safety directives

During 2007 City Technology Limited was working on a project to market and sell this product Enzylerl for use in personal monitoring for exposure to protease enzymes in the workplace. Royalty revenue due to Acaris is entirely dependent on the sales of this product

Following the acquisition of First Technology Group plc by Honeywell Inc, a process that was completed in March 2006, City Technology Limited announced their decision in June 2008 to cease all further commercial activity with Enzylerl and all other related products. The product has been withdrawn from sale

City Technology Limited is actively seeking partners and opportunities to license some or all of the Enzylerl technology to third parties and should any such deals be concluded full consideration will be given to City Technology Limited's obligation to the group in respect of license fees

City Technology Limited's decision to discontinue with Enzylerl has a significant effect on the going concern issue of the company and group. The directors have no intentions to dissolve the company and group, although continued losses are likely for the foreseeable future

The directors have taken measures to reduce ongoing operational costs. The group's ongoing expenses have been minimised including those required to meet its statutory obligations such as the annual audit and annual return

### **Results and dividends**

The consolidated profit and loss account for the year is set out on page 5

### **Auditors**

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

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2007**

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### **Directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the group 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 will continue in business.

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

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board



Dr A Cooke  
Secretary

30 JUL 2008

# **ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES**

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We have audited the group and parent company financial statements (the "financial statements") of Acaris Healthcare Solutions plc and Subsidiaries for the year ended 31 December 2007 set out on pages 5 to 16. These financial statements have been prepared under 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 auditors' 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 and 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.

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE SHAREHOLDERS OF ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

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#### Opinion

##### In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and parent company's affairs as at 31 December 2007 and of the group's loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

#### Emphasis of matter

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in the notes to the financial statements concerning the group's ability to continue as a going concern. The group incurred a net loss of £13,770 during the year ended 31 December 2007 and at that date the group's current liabilities exceeded its total assets by £138,349. The company incurred a net loss of £3,979 during the year ended 31 December 2007 and at that date the company's current liabilities exceeded its total assets by £79,329. These conditions, along with the other matters explained in the notes to the financial statements, indicated the existence of a material uncertainty which may cast significant doubt about the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

#### Ensors

Chartered Accountants  
Registered Auditor

30 JUL 2008

*Ensors*

Anglia House  
285 Milton Road  
Cambridge  
CB4 1XQ

## ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

### CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 £	2006 £
Turnover	0	-	508
Research and development costs		1,317	(2,844)
Administrative expenses		(15,071)	(29,108)
<b>Operating loss</b>	<b>4</b>	<b>(13,754)</b>	<b>(31,444)</b>
Interest payable and similar charges	7	(16)	(2,121)
<b>Loss on ordinary activities before taxation</b>		<b>(13,770)</b>	<b>(33,565)</b>
Tax on loss on ordinary activities	8	-	-
<b>Loss on ordinary activities after taxation</b>		<b>(13,770)</b>	<b>(33,565)</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



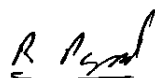
# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## BALANCE SHEETS

AS AT 31 DECEMBER 2007

	Notes	Group 2007 £	2006 £	Company 2007 £	2006 £
<b>Current assets</b>					
Debtors	14	12,922	15,056	11,089	14,549
Cash at bank and in hand		449	711	19	-
		<u>13,371</u>	<u>15,767</u>	<u>11,108</u>	<u>14,549</u>
<b>Creditors amounts falling due within one year</b>	15	<u>(151,720)</u>	<u>(140,346)</u>	<u>(90,437)</u>	<u>(89,899)</u>
<b>Total assets less current liabilities</b>		<u>(138,349)</u>	<u>(124,579)</u>	<u>(79,329)</u>	<u>(75,350)</u>
<b>Capital and reserves</b>					
Called up share capital	17	99,601	99,601	99,601	99,601
Share premium account	18	1,156,237	1,156,237	1,156,237	1,156,237
Other reserves	18	(41,050)	(41,050)	-	-
Profit and loss account	18	<u>(1,353,137)</u>	<u>(1,339,367)</u>	<u>(1,335,167)</u>	<u>(1,331,188)</u>
<b>Shareholders' funds</b>	19	<u>(138,349)</u>	<u>(124,579)</u>	<u>(79,329)</u>	<u>(75,350)</u>

Approved by the Board and authorised for issue on 30 JUL 2008



Dr R Pirzad  
Director

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

	£	2007 £	£	2006 £
<b>Net cash inflow from operating activities</b>		251		39,070
<b>Returns on investments and servicing of finance</b>				
Interest paid	(16)		(2,121)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(16)		(2,121)
<b>Capital expenditure</b>				
<b>Net cash inflow for capital expenditure</b>		-		-
<b>Net cash inflow before management of liquid resources and financing</b>		235		36,949
<b>Increase in cash in the year</b>		235		36,949

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

<b>1</b>	<b>Reconciliation of operating loss to net cash inflow from operating activities</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Operating loss	(13,754)	(31,444)
	Decrease in debtors	2,134	13,913
	Increase in creditors within one year	11,871	56,601
	<b>Net cash inflow from operating activities</b>	<b>251</b>	<b>39,070</b>

<b>2</b>	<b>Analysis of net funds</b>	<b>1 January 2007</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2007</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Net cash				
	Cash at bank and in hand	711	(262)	-	449
	Bank overdrafts	(497)	497	-	-
		<u>214</u>	<u>235</u>	<u>-</u>	<u>449</u>
	<b>Net funds</b>	<u>214</u>	<u>235</u>	<u>-</u>	<u>449</u>

<b>3</b>	<b>Reconciliation of net cash flow to movement in net debt</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Increase in cash in the year	235	36,949
	<b>Movement in net funds in the year</b>	<b>235</b>	<b>36,949</b>
	Opening net funds/(debt)	214	(36,735)
	<b>Closing net funds</b>	<b>449</b>	<b>214</b>

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

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### 1 Comparative figures

A subsidiary undertaking, Medivac Healthcare Limited, entered into liquidation on 18 September 2006. In accordance with Financial Reporting Standard 2, the results of Medivac Healthcare Limited have been excluded from the consolidation on the basis that severe long-term restrictions apply to the parent undertakings control over the assets and management of this subsidiary undertaking. Accordingly, the comparative figures throughout these financial statements have been restated to exclude the results of Medivac Healthcare Limited.

### 2 Accounting policies

#### 2.1 Accounting convention

The financial statements are prepared under the historical cost convention.

Following a review of the group's key agreements with third parties, the future timing and amount of revenues likely to be earned from royalty income is inherently uncertain. Consequently, in the short to medium term (1 to 3 years) funds to pay liabilities as they fall due will be provided, as far as possible, by loans from the directors.

This uncertainty is the result of a decision made by the third parties to cease all further commercial activity with the group's product Enzyler<sup>®</sup> and its related products.

In light of the above risks, the directors have reviewed City Technology Limited's efforts to seek partners and opportunities to license some or all of the Enzyler<sup>®</sup> product to third parties. As a result of this review the directors believe it remains appropriate to present the financial statements on a going concern basis. The financial statements therefore exclude any adjustments to carrying values that might be necessary, should the group be unable to continue in operation for the foreseeable future.

The company continues on the basis that its creditors will not withdraw their financial support and the directors will meet liabilities as and when they become due.

#### 2.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the group profit and loss account after or up to the date that control passes respectively. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

#### 2.4 Turnover

The turnover shown in the profit and loss account represents royalties received during the year, exclusive of Value Added Tax. All turnover relates to the United Kingdom.

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

### 2 Accounting policies (continued)

#### 2.5 Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

#### 2.6 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	4 years straight line
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#### 2.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 2.8 Pensions

Defined contributions are made to directors' and employees' personal pension plans. Contributions are charged to the profit and loss account as they become payable. Differences between contributions payable and contributions actually paid in the period are shown as either accruals or prepayments at the balance sheet date.

#### 2.9 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

### 3 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Operating loss	2007 £	2006 £
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Operating loss is stated after charging:

Fees payable to the group's auditor for the audit of the group's annual accounts (company £4,200, 2006 £3,000)

7,000	5,000
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5 Directors' emoluments	2007 £	2006 £
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Remuneration	-	167
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# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

### 6 Employees

#### Number of employees

There were no employees during the year apart from the directors

Employment costs	2007 £	2006 £
Other pension costs	-	326

### 7 Interest payable

	2007 £	2006 £
On bank loans and overdrafts	16	2,121

### 8 Taxation

	2007	2006
Current tax charge	-	-
<b>Factors affecting the tax charge for the year</b>		
Loss on ordinary activities before taxation	(13,770)	(33,565)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.75% (2006 - 19.00%)	(2,720)	(6,377)
<b>Effects of</b>		
Expenses not deductible for tax purposes	1,588	1,211
Tax losses carried forward	1,132	5,166
	2,720	6,377
Current tax charge	-	-

The company has estimated losses of £ 214,381 (2006 - £ 211,418) available for carry forward against future trading profits

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

### 9 Loss for the financial year

As permitted by section 230 of the Companies Act 1985, the parent undertaking's profit and loss account has not been included in these financial statements

	2007 £	2006 £
Parent undertaking's loss for the financial year	<u>(3,979)</u>	<u>(66,152)</u>

### 10 Intangible fixed assets Group and company

	Patents £
<b>Cost</b>	
At 1 January 2007 and 31 December 2007	<u>200,000</u>
<b>Impairment</b>	
At 1 January 2007 and 31 December 2007	<u>(200,000)</u>
<b>Net book value</b>	
At 31 December 2007	<u>-</u>
At 31 December 2006	<u>-</u>

### 11 Tangible fixed assets Group and company

	Plant and machinery £
<b>Cost</b>	
At 1 January 2007 and 31 December 2007	<u>23,778</u>
<b>Impairment</b>	
At 1 January 2007 and 31 December 2007	<u>(23,778)</u>
<b>Net book value</b>	
At 31 December 2007	<u>-</u>
At 31 December 2006	<u>-</u>

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

### 12 Fixed asset investments

#### Group and company

	Shares in group undertakings £
<b>Cost</b>	
At 1 January 2007 and 31 December 2007	51,000
<b>Impairment</b>	
At 1 January 2007 and 31 December 2007	(51,000)
<b>Net book value</b>	
At 31 December 2007	-
At 31 December 2006	-

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Principal activity	Country of registration or incorporation	Shares held	
			Class	%
Subsidiary undertakings				
Acaris Limited	Development of products designed to detect allergens	England & Wales	Ordinary	100

The company holds 81% of the ordinary £1 shares of Medivac Healthcare Limited, a company registered in England and Wales. Medivac Healthcare Limited entered into liquidation on 18 September 2006. In accordance with Financial Reporting Standard 2, the results of have been excluded from the consolidation on the basis that severe long-term restrictions apply to the parent undertakings control over the assets and management of this subsidiary undertaking



# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

### 14 Debtors

	Group 2007 £	2006 £	Company 2007 £	2006 £
Trade debtors	507	507	-	-
Other debtors	12,415	14,549	11,089	14,549
	<u>12,922</u>	<u>15,056</u>	<u>11,089</u>	<u>14,549</u>

### 15 Creditors - amounts falling due within one year

	Group 2007 £	2006 £	Company 2007 £	2006 £
Bank loans and overdrafts	-	497	-	497
Trade creditors	63,982	66,211	26,709	19,274
Directors current accounts	73,802	60,802	52,592	59,592
Other creditors	2,936	2,836	2,536	2,536
Accruals and deferred income	11,000	10,000	8,600	8,000
	<u>151,720</u>	<u>140,346</u>	<u>90,437</u>	<u>89,899</u>

### 16 Pension and other post-retirement benefit commitments

The group had contributed to individual directors' and employees' personal pension plans although these contributions ceased in the previous year

The assets of the schemes were held separately from those of the group in independently administered funds. The commitment under these schemes amounted to £nil (2006 £167) in respect of directors and £nil (2006 £158) in respect of employees. The company had no potential liability other than for the payment of these commitments.

No amounts were outstanding or prepaid at the balance sheet date.

#### Defined contribution

	2007 £	2006 £
Contributions payable by the group for the year	<u>-</u>	<u>326</u>

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2007

17 Share capital	2007 £	2006 £
<b>Authorised</b>		
50,000,000 Ordinary shares of 2p each	1,000,000	1,000,000
<b>Allotted, called up and fully paid</b>		
4,980,050 Ordinary shares of 2p each	99,601	99,601

At 31 December 2007 Dr R Pirzad and Dr A Cooke each held 30,302 options over ordinary shares of £0.02p per share under an open ended unapproved share option scheme at a grant price of £0.55p per share

#### 18 Statement of movements on reserves Group

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2007	1,156,237	(41,050)	(1,339,367)
Loss for the year	-	-	(13,770)
Balance at 31 December 2007	1,156,237	(41,050)	(1,353,137)

#### Other reserves

##### Reserves provided for by the Articles of Association

Balance at 1 January 2007 & at 31 December 2007	(41,050)
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#### Company

	Share premium account £	Profit and loss account £
Balance at 1 January 2007	1,156,237	(1,331,188)
Loss for the year	-	(3,979)
Balance at 31 December 2007	1,156,237	(1,335,167)

# ACARIS HEALTHCARE SOLUTIONS PLC AND SUBSIDIARIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

19 Reconciliation of movements in shareholders' funds	2007	2006
	£	£
<b>Group</b>		
Loss for the financial year	(13,770)	(33,565)
Opening shareholders' funds	(124,579)	(91,014)
Closing shareholders' funds	<u>(138,349)</u>	<u>(124,579)</u>
	2007	2006
<b>Company</b>	£	£
Loss for the financial year	(3,979)	(66,152)
Opening shareholders' funds	(75,350)	(9,198)
Closing shareholders' funds	<u>(79,329)</u>	<u>(75,350)</u>

### 20 Control

The group is controlled by Dr R Pirzad and Dr A Cooke, by virtue of their controlling interests in the issued ordinary share capital

### 21 Related party transactions

#### Group

At the year end, Dr A Cooke, a director of the company, was owed £1,210 from the company (2006 - £1,210) Dr R Pirzad, a director of the company, was owed £20,000 (2006 - £nil) These loans are non interest bearing and have no fixed date for repayment

During the year the company paid Dr R Pirzad, a director £nil (2006 - £3,000) for consultancy fees and £nil (2006 - £71) for travel costs incurred

At the year end the company owed Acaris Healthcare Solutions plc £1,116,339 (2006 - £1,123,181)

The company is a wholly owned subsidiary of Acaris Healthcare Solutions plc, the consolidated accounts of which are publicly available Accordingly, the company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with members or investees of the group

#### Company

At the year end Dr A Cooke, a director of the company was owed £52,592 (2006 - £59,592) from the company This loan is non interest bearing and has no fixed date for repayment

At the year end Acaris Limited, a subsidiary of Acaris Healthcare Solutions plc owed the company £1,116,339 (2006 - £1,123,181), this has been fully provided for in the accounts The amount written off in the current period is £6,441 (2006 - £3,837)