

**PHYNOVA LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**

**PERIOD FROM JANUARY 2002  
TO JUNE 2003**

COMPANY REGISTRATION NO. 4356862



## **PHYNOVA LIMITED**

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**PHYNOVA LIMITED**

**COMPANY INFORMATION**

**Directors**

R Miller  
M Martin  
M Fowler  
W Doyle

**Secretary**

**Company Number**

4356862

**Business Address**

Magdalen Centre  
Oxford Science Park  
Oxford  
OX4 4GA

**Bankers**

HSBC  
69 Pall Mall  
London  
SW1Y 5EY

## **PHYNOVA LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2003**

The directors present their report and financial statements for the period ended 30 June 2003.

#### **Principal Activities**

The principal activity of the company is that of drug development.  
The company was incorporated on 21st January 2002.

#### **Directors**

The following directors have held office since 21 January 2002

R Miller  
M Martin  
W Doyle

M Fowler has been a director since July 2002.

#### **Directors' Interests**

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

	Ordinary shares of 10p each 30 June 2003
R Miller	23,063
M Martin	12,744
M Fowler	11,296
W Doyle	46,125

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

#### **On behalf of the board**

Signed 

Date 17.12.03

**PHYNOVA LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 30 JUNE 2003**

	<b>Notes</b>	<b>£</b>
<b>Turnover</b>		-
Cost of sales		<u>7,677</u>
<b>Gross (loss)</b>		(7,677)
Administrative expenses		151,318
<b>Operating (Loss)</b>	2	<u>(158,995)</u>
Interest payable and similar charges		-
<b>(Loss) on ordinary activities before taxation</b>		<u>(158,995)</u>
Tax on (loss) on ordinary activities	3	-
<b>(Loss) on ordinary activities after taxation</b>	8	<u><u>(158,995)</u></u>

**PHYNOVA LIMITED****BALANCE SHEET  
AS AT 30TH JUNE 2003**

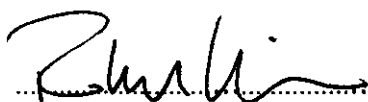
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	4		2,953
<b>Current Assets</b>			
Debtors		(340)	
VAT recoverable		8,549	
Cash and bank and in hand		<u>10,222</u>	
			18,431
<b>Creditors : amounts falling due within one year</b>			<u>12,102</u>
<b>Net current liabilities</b>			<u>6,329</u>
<b>Total assets less liabilities</b>			<u><u>9,282</u></u>
<b>Capital &amp; reserves</b>			
Share capital	5		12,533
Share premium	6		155,744
Profit & loss account	6		<u>(158,995)</u>
<b>Shareholder's funds</b>			<u><u>9,282</u></u>

In preparing these financial statements:

1. The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985
2. No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
3. The directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 03.12.03

  
.....  
Director

## **PHYNOVA LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003**

#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements are prepared in accordance with the going concern concept. company is dependent upon the support of its directors together the with continued provision of finance from its investors.

##### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT.

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

Tangible fixed assts 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:

Computer equipment	3 year straight line basis
Fixtures, fittings & equipment	3 year straight line basis

#### **2 Operating loss**

	£
Operating Loss is stated after charging:	
Depreciation of tangible assets	750

#### **3 Taxation**

There is no charge to corporation tax due to losses arising in the period.

#### **4 Tangible fixed assets**

	£
Cost	
Additions	<u>3,703</u>
At 30 June 2003	<u>3,703</u>
Depreciation	
Charge for the period	<u>750</u>
At 30 June 2003	<u>750</u>
Net book value	
At 30 June 2003	<u><u>2,953</u></u>

**PHYNOVA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 30 JUNE 2003**

**5 Share capital**

Authorised share capital 200,000 ordinary shares of 10p each	<u>20,000</u>
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Issued share capital 125,326 ordinary shares at 10p each	<u>12,533</u>
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**6 Statement of movements on reserves**

	Share premium account £	Profit & loss account £
Opening balances	-	-
Movement during period	<u>155,744</u>	<u>(158,995)</u>
Balances at 30 June 2003	<u>155,744</u>	<u>(158,995)</u>



**PHYNOVA LIMITED**

**DETAILED PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 30 JUNE 2003**

	£	£
<b>Turnover</b>		-
<b>Cost of sales</b>		
PYN5	3,922	
PYN6	3,022	
PYN7	733	
PYN17	-	
PYN21	-	7,677
		<hr/>
<b>Gross (loss)</b>		(7,677)
<b>Administrative expenses</b>		151,318
		<hr/>
<b>Operating (loss)</b>		(158,995)
<b>Interest payable</b>		
Bank interest paid		-
		<hr/>
<b>(Loss) before taxation</b>		<u><u>(158,995)</u></u>



**PHYNOVA LIMITED****ADMINISTRATIVE EXPENSES****FOR THE PERIOD ENDED 30 JUNE 2003**

	£	£
<b>Establishment expenses</b>		
Rent		18,662
<b>Administrative expenses</b>		
Travel & entertainment	21,066	
Printing & stationery	11,662	
Legal fees	1,100	
Audit & accountancy	960	
Consultancy fees	79,942	
Professional fees	300	
Patent attorney fees	15,941	
General expenses	<u>750</u>	131,720
<b>Financial charges</b>		
Bank charges		187
<b>Total</b>		<u>150,568</u>
<b>Depreciation</b>		<u>750</u>
<b>Total administrative expenses</b>		<u><u>151,318</u></u>