REGISTERED NUMBER: 04834316 (England and Wales)

REPORT OF THE DIRECTOR AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

FOR

AEROCRINE LIMITED

FRIDAY

PP1T9GVS

PC5 22/01/2010 920

COMPANIES HOUSE

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2009

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Financial Statements	9

COMPANY INFORMATION
for the Year Ended 31 December 2009

DIRECTOR:	P C De Potocki
SECRETARY:	M Colerus
REGISTERED OFFICE:	Herschel House 58 Herschel Street Slough Berkshire SL1 1PG
REGISTERED NUMBER:	04834316 (England and Wales)
AUDITORS:	Oury Clark Chartered Accountants Registered Auditors P O Box 150, Herschel House 58 Herschel Street Slough Berkshire SL1 1HD

REPORT OF THE DIRECTOR
for the Year Ended 31 December 2009

The director presents his report with the financial statements of the company for the year ended 31 December 2009.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of promotion of parent company's products in the UK.

REVIEW OF BUSINESS
Background:

The UK health care market is distinguished by a slow uptake of new technologies and methods. The health care system (NHS) is under a lot of economic pressure which might prove to be positive for FeNO measurements and the cost-savings it brings to asthma-care in the future. BTS guidelines do not recommend FeNO but indicate FeNO measurements may be useful, particularly in monitoring of response to corticosteroids.

Performance 2009:

Given these restraints the performance for 2009 with sales growth of around 22% can be seen as satisfactory.

Key performance indicators:

The key indicators proving the business in the UK is the sales growth in value, number of new instruments sold (increase of installed base) and the sales of repeat tests.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2009.

DIRECTOR
P C De Potocki held office during the whole of the period from 1 January 2009 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they 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 period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE DIRECTOR
for the Year Ended 31 December 2009

AUDITORS

The auditors, Oury Clark Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....

P C De Potocki - Director

Date: 2010-01-20

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF AEROCRINE LIMITED

We have audited the financial statements of Aerocrine Limited for the year ended 31 December 2009 on pages five to eleven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. 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 a Report of the Auditors 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 director and auditors
As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Oury Clark

Rachel Lockwood (Senior Statutory Auditor)
for and on behalf of Oury Clark Chartered Accountants
Registered Auditors
P O Box 150, Herschel House
58 Herschel Street
Slough
Berkshire
SL1 1HD

Date: 21/1/10

AEROCRINE LIMITED (REGISTERED NUMBER: 04834316)

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2009

	Notes	31.12.09 £	31.12.08 £
TURNOVER		136,021	92,558
Administrative expenses		129,543	89,151
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	6,478	3,407
Tax on profit on ordinary activities	4	1,497	731
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		4,981	2,676

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES
The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

AEROCRINE LIMITED (REGISTERED NUMBER: 04834316)

BALANCE SHEET
31 December 2009

	Notes	31.12.09 £	31.12.08 £
CURRENT ASSETS			
Debtors	5	23,508	17,353
CREDITORS			
Amounts falling due within one year	6	8,180	7,006
NET CURRENT ASSETS		15,328	10,347
TOTAL ASSETS LESS CURRENT LIABILITIES		15,328	10,347
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Profit and loss account	9	15,327	10,346
SHAREHOLDERS' FUNDS	12	15,328	10,347

The financial statements were approved by the director on 2010-01-20 and were signed by:

.....
P C De Potocki - Director

The notes form part of these financial statements

AEROCRINE LIMITED (REGISTERED NUMBER: 04834316)

CASH FLOW STATEMENT
for the Year Ended 31 December 2009

	Notes	31.12.09 £	31.12.08 £
Net cash inflow from operating activities	1	731	924
Taxation		(731)	(924)
Increase in cash in the period		-	-

Reconciliation of net cash flow to movement in net debt	2		
Increase in cash in the period		-	-
Change in net debt resulting from cash flows		-	-
Movement in net debt in the period		-	-
Net debt at 1 January		-	-
Net debt at 31 December		-	-

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 December 2009

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.12.09	31.12.08
	£	£
Operating profit	6,478	3,407
Increase in debtors	(6,155)	(5,537)
Increase in creditors	408	3,054
Net cash inflow from operating activities	731	924

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.09	Cash flow	At 31.12.09
	£	£	£
Net cash:			
Cash at bank and in hand	-	-	-

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2009

1. ACCOUNTING POLICIES

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

Turnover
Turnover represents net invoiced sales of services, excluding value added tax.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. STAFF COSTS

	31.12.09	31.12.08
	£	£
Wages and salaries	89,743	53,864
Social security costs	9,413	5,043
	99,156	58,907

The average monthly number of employees during the year was as follows:

	31.12.09	31.12.08
Administration and sales	2	1

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.09	31.12.08
	£	£
Auditors' remuneration	1,500	-
Director's remuneration	-	-

4. TAXATION

Analysis of the tax charge
The tax charge on the profit on ordinary activities for the year was as follows:

	31.12.09	31.12.08
	£	£
Current tax:		
UK corporation tax	1,497	731
Tax on profit on ordinary activities	1,497	731

continued...

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.09	31.12.08
	£	£
Other debtors	4,000	-
Due from group undertakings	17,542	17,353
VAT	145	-
Prepayments and accrued income	1,821	-
	23,508	17,353

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.09	31.12.08
	£	£
Trade creditors	-	1,187
Tax	1,497	731
Social security and other taxes	2,442	1,430
Creditors and accruals	4,241	3,658
	8,180	7,006

7. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	31.12.09	31.12.08
	£	£
Expiring:		
Between one and five years	4,751	-

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.09 £	31.12.08 £
1	Ordinary Shares	1	1	1

9. RESERVES

	Profit and loss account £
At 1 January 2009	10,346
Profit for the year	4,981
At 31 December 2009	15,327

continued...

10. ULTIMATE PARENT COMPANY

The ultimate parent of the Company is Aerocrine AB, a Company incorporated in Sweden, by virtue of its 100% shareholding.

11. RELATED PARTY DISCLOSURES

During the year the company made sales of £136,021 (2008: £92,558) to Aerocrine AB. All the transactions were conducted on an arms length basis.

Included in Other Debtors at the year end is £17,542 (2008: £17,353) due from Aerocrine AB.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.09	31.12.08
	£	£
Profit for the financial year	4,981	2,676
Net addition to shareholders' funds	4,981	2,676
Opening shareholders' funds	10,347	7,671
Closing shareholders' funds	15,328	10,347

13. ULTIMATE CONTROLLING PARTY

The directors are of the opinion that there is no ultimate controlling party.