

F&H Baxter (Holdings) Limited

**Directors' report and financial
statements**

Registered number 1136169

For the year ended 30 September 2000



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Directors' report

The directors present their report and audited financial statements for the year ended 30 September 2000.

Principal activities and business review

The company has not traded during the current year or preceding year accordingly no profit and loss account has been prepared.

Directors and directors' interests

The directors of the company during the year were:

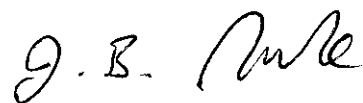
Theratase plc
Cranfield Biotechnology Limited

The shares of the company are wholly owned by Theratase plc, a corporate director of the company.

Auditors

The company is exempt from the requirement of an audit under section 249AA of the Companies Act 1985 as the company meets the criteria for being dormant.

By order of the board



Ms JB Rooke
Secretary

Trafalgar House
11/12 Waterloo Place
London
SW1Y 4AU

23 January 2001

Statement of 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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Balance sheet

at 30 September 2000

	Note	2000 £000	1999 £000
Fixed assets			
Investments	2	-	-
		-----	-----
Net assets		-	-
		=====	=====
Capital and reserves			
Called up share capital	3	18	18
Share premium account	4	689	689
Capital redemption reserve	4	7	7
Profit and loss account	5	(714)	(714)
		-----	-----
Equity shareholders' funds		-	-
		=====	=====

For the year ended 30 September 2000 the company was entitled to exemption under section 249A(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its account for the year in question in accordance with section 249B(2)

The directors acknowledge their responsibility for:

- i) Ensuring the company keeps accounting records which comply with section 221; and
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on 23 January 2001 and were signed on its behalf by:



CD Anderson

For and on behalf of Theratase plc

Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

The financial statements have been prepared in accordance with applicable UK Accounting Standards and under the historical cost accounting rules.

Exemption from preparation of consolidated financial statements

The company is exempt under Section 228 of the Companies Act 1985 from the obligation to prepare group financial statements and deliver them to the Registrar of Companies as the results of the company and its subsidiaries are consolidated in its ultimate parent undertaking, Theratase plc, a company incorporated in Great Britain. These financial statements present information about the company as an individual undertaking and not as a group.

Cash flow statement

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of a UK parent which prepares a cash flow statement.

Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8 not to disclose related party transactions with Theratase plc and its subsidiaries.

2 Investments

Shares in group (companies)

	£000
<i>Cost</i>	
At beginning and end of year	926
	<hr/>
<i>Amounts written off</i>	
At beginning and end of year	(926)
	<hr/>
<i>Net book value</i>	
At beginning and end of year	-
	<hr/>

Notes (continued)

2 Investments continued

The company's subsidiary undertakings are as follows:

Subsidiary companies	Class of shares	% held
Cambridge Bio-Nutritional Limited	Ordinary	100
	Deferred ordinary	100
Enviromed Research Limited	Ordinary	100
	3% non-cumulative preference shares	100
Enviromed Enzymes Limited	Ordinary	100

All of the above companies are incorporated in Great Britain.

Cambridge Bio-Nutritional Limited operated in the animal bionutritional industry until 1 May 1997.

Enviromed Research Limited is a subsidiary of Cambridge Bio-Nutritional Limited. It did not trade during the year.

Enviromed Enzymes Limited is a subsidiary of Enviromed Research Limited. It did not trade during the year

3 Share capital

	2000 £000	1999 £000
<i>Authorised:</i>		
100,000 ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid:</i>		
17,660 ordinary shares of £1 each	18	18

4 Other reserves

	Capital redemption reserve £000	Share premium account £000
At beginning and end of year	7	689

5 Profit and loss account

	2000 £000	1999 £000
At beginning and end of year	(714)	(714)

6 Parent company

The immediate and ultimate parent company is Theratase plc which is incorporated in Great Britain. The consolidated financial statements of Theratase plc are available to the public and may be obtained from Trafalgar House, 11/12 Waterloo Place, London, SW1Y 4AU.

Notes (continued)

7 Contingent liabilities

In conjunction with the parent company and its subsidiaries, the company has entered into a cross guarantee in favour of the group's bankers in respect of overdraft and loan facilities. At 30 September 2000, the potential liability under this arrangement amounted to £2,918,000 (1999: £2,877,000).

8 Pension costs

The company operated a defined benefit scheme for its subsidiary undertaking until the sale of the trade and assets of the subsidiary undertaking in March 1996. The scheme was discontinued in 1996 and is in the process of being wound up. The most recent valuation was at 6 April 1999 which disclosed a market value of assets of £5,969,000 and these assets were sufficient to provide 152% of accrued liabilities based on the statutory minimum funding requirement basis in force at that time. The current funding position has not been fully determined but it is not expected that any liability for the company will arise from the winding up of the scheme.

The assets of these schemes are held in trustee administered funds separate from the group.