NORWICH RESEARCH LIMITED

DIRECTORS' REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2002



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COMPANIES HOUSE 29/01/03

Registered no 02814101

NORWICH RESEARCH LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2002

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NORWICH RESEARCH LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31 March 2002.

Principal activity

The principal activity of the company is participation in the ownership and management of AMICA Science EEIG.

Associated undertaking

AMICA Science EEIG is owned jointly by Norwich Research Limited and Minerva Stiftung Geselleschaft Für Die Forschung m.b.H. and each company shares equally in the results of the EEIG. Financial accounts for AMICA Science EEIG have been prepared for the year ended 31 December 2001.

Result for the year

The result for the year is detailed on page 5 of the financial statements. The profit for the year was £3,553 (2001: loss £1,349).

Directors

The directors who served during the year are as follows:

M D Gale
C J Lamb

Neither of the directors held an interest in the shares of the company during the year.

Directors' responsibilities for the financial statements

United Kingdom 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
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the appointment of Grant Thornton as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD

D J O'Nions
Company Secretary

Norwich Research Park
Colney Lane
Norwich
NR4 7UH

28 November 2002

Grant Thornton

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NORWICH RESEARCH LIMITED

We have audited the financial statements of Norwich Research Limited for the year ended 31 March 2002 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom accounting standards 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 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 other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton

GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

NORWICH 18 December 2002

BASIS OF PREPARATION

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

Group accounts have not been prepared in accordance with exemptions allowed in Section 228 of the Companies Act 1985. These accounts contain information on the company only. Information on the company and its associated undertaking are included in the consolidated accounts of John Innes Centre.

The company is exempt from the requirement to present a cash flow statement in accordance with Financial Reporting Standard 1 as the company is a small company under the Companies Act definition.

The financial statements have been prepared on a going concern basis as the ultimate parent undertaking has agreed to provide financial support for at least the next twelve months and thereafter for the foreseeable future.

The company has taken advantage of the exemptions available under Financial Reporting Standard 8 'Related Party Transactions' whereby subsidiary undertakings do not have to disclose their inter group transactions if 90% or more of their shares are controlled within the group.

TAXATION

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. In accordance with Financial Reporting Standard 19 (FRS 19), provision is made for deferred tax in respect of all timing differences that have originated but not reversed by the balance sheet date. As a result of adopting FRS 19, which applies to accounting periods ending on or after 23 January 2002, no prior year adjustment is required.

NORWICH RESEARCH LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2002

	Note	2002 £	2001 £
Administrative expenses		(1,834)	(1,257)
Interest receivable		391	5
(Loss) for the year before taxation	1	(1,443)	(1,252)
Taxation	3	4,996	(97)
Profit/(loss) for the financial year after taxation		3,553	(1,349)
Profit and loss account brought forward		(48,276)	(46,927)
Profit and loss account carried forward		£(44,723)	£(48,276)

All recognised gains and losses are included in the profit and loss accounts on continuing activities above.

The accompanying accounting policies and notes form an integral part of these financial statements.

NORWICH RESEARCH LIMITED

BALANCE SHEET AT 31 MARCH 2002

	Note	2002		2001	
		£	£	£	£
Current assets					
Debtors	4	**14,859**		9,475	
Cash at bank and in hand		**333**		337	
		15,192		9,812	
Current liabilities					
Creditors	5	**(59,914)**		(58,087)	
Net current liabilities			**(44,722)**		(48,275)
Net liabilities			**£(44,722)**		£(48,275)
Capital and reserves					
Share capital	6		**1**		1
Profit and loss account			**(44,723)**		(48,276)
Equity shareholder's funds	7		**£(44,722)**		£(48,275)

These financial statements were approved by the board of directors on 28 November 2002 and were signed on its behalf by:

M D Gale **Director**

The accompanying accounting policies and notes form an integral part of these financial statements.

1 (LOSS) FOR THE YEAR BEFORE TAXATION

(Loss) for the year before taxation is stated after charging/(crediting) the following:

		2002 £	2001 £
Auditors' remuneration	- audit services	589	1,060
	- non-audit services	-	(89)

2 DIRECTORS AND EMPLOYEES

The company had no employees other than the two directors (2001: two directors), who received no remuneration from the company during the year.

3 TAXATION

	2002 £	2001 £
Tax charge arising from covenant paid to John Innes Centre	-	(97)
Tax becoming repayable as a result of losses carried back against previous year charges	4,996	-
	£4,996	£(97)

Unutilised tax losses of £45,000 (2001: £34,007) have been carried forward for offset against future taxable profits. A deferred tax asset has not been established due to the uncertainty of utilisation of these losses.

Reconciliation of standard rate of tax to the tax credit/(charge) shown above is as follows:

	2002 £	2001 £
Loss for year before taxation	(1,443)	(1,252)
Tax credit at 20%	(289)	(250)
Deferred tax asset not established	289	250
Charge arising on covenant	-	(97)
Recovery of tax from a previous year	4,996	-
	£4,996	£(97)

4 DEBTORS

	2002 £	2001 £
Called up share capital not paid	1	1
Other	14,858	9,474
	£14,859	£9,475

5 CREDITORS

	2002 £	2001 £
Amounts owed to group undertakings	24,537	21,834
Amounts due to associated undertaking	34,495	34,666
Accruals and deferred income	882	1,587
	£59,914	£58,087

6 SHARE CAPITAL

	2002	2001
Authorised		
1 ordinary share of £1 each	£1	£1
Allotted and called up		
1 ordinary share of £1 each	£1	£1

7 RECONCILIATION OF SHAREHOLDER'S FUNDS

	2002 £	2001 £
Profit/(loss) for the financial year	3,553	(1,349)
Opening shareholder's funds	(48,275)	(46,926)
Closing shareholder's funds	£(44,722)	£(48,275)

8 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is John Innes Centre, a company registered in England.

9 ASSOCIATED UNDERTAKING

AMICA Science EEIG, a European Economic Interest Grouping, is owned equally by Norwich Research Limited and Minerva Stiftung, Geselleschaft Für Die Forschung m.b.H. AMICA Science EEIG is a European Economic Interest Grouping that co-ordinates scientific projects for the European Union. There is no cost attached to this investment. During the year ended 31 December 2001 AMICA Science EEIG made a loss of €2,510 (2000: loss €15,955) and the company is entitled to retained funds of €28,027 (2000: €29,282).