

REGISTERED NUMBER: 3125708 (England and Wales)

Abbreviated Financial Statements
for the Period 14 November 1995 to 31 October 1996
for
Pharm-Olam International (UK) Limited



Pharm-Olam International (UK) Limited

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for the Period 14 November 1995 to 31 October 1996

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Pharm-Olam International (UK) Limited

Company Information

for the Period 14 November 1995 to 31 October 1996

DIRECTORS:

Dr Z M Munk MD FRCP
Dr B L Natorff MD
Mrs S Munk

SECRETARY:

Mrs S Munk

REGISTERED OFFICE:

The Brackens
London Road
Ascot
Berks. SL5 8BE

REGISTERED NUMBER:

3125708 (England and Wales)

ACCOUNTANTS:

Ian Skolnick & Co.
Chartered Accountants
Trafalgar House
Grenville Place
Mill Hill
London NW7 3SA

Pharm-Olam International (UK) Limited

Report of the Accountants to the Shareholders
on the Unaudited Financial Statements of
Pharm-Olam International (UK) Limited

The following reproduces the text of the report prepared for the purposes of Section 249A(2) of the Companies Act 1985 in respect of the company's annual financial statements, from which the abbreviated financial statements (set out on pages three to six) have been prepared.

We report on the financial statements for the period ended 31 October 1996 set out on pages four to eight.

Respective responsibilities of directors and reporting accountants

As described on page five the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

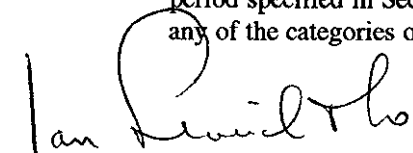
Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the period specified in Section 249A(4) of the Act and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).



Ian Skolnick & Co.
Chartered Accountants
Trafalgar House
Grenville Place
Mill Hill
London NW7 3SA

Dated: 9 May 1997

Pharm-Olam International (UK) Limited

Abbreviated Balance Sheet
31 October 1996

	Notes	£	£
FIXED ASSETS:			
Tangible assets	2		14,137
CURRENT ASSETS:			
Stocks		37,374	
Debtors		236,111	
Cash at bank		13,191	
		286,676	
CREDITORS: Amounts falling due within one year			
		259,778	
NET CURRENT ASSETS:			
			26,898
TOTAL ASSETS LESS CURRENT LIABILITIES:			
			£41,035
CAPITAL AND RESERVES:			
Called up share capital	3		50,000
Profit and loss account			(8,965)
Shareholders' funds			£41,035

The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the period ending 31 October 1996.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial period.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a small company.

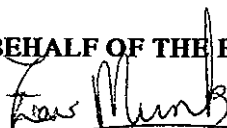
Pharm-Olam International (UK) Limited

Abbreviated Balance Sheet

31 October 1996

In preparing the full financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



Dr Z M ~~Munk~~ MD-FRCP - DIRECTOR

Approved by the Board on May 1 1997

Pharm-Olam International (UK) Limited

Notes to the Abbreviated Financial Statements for the Period 14 November 1995 to 31 October 1996

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 15% on cost
Computer equipment	- 33% on cost

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
Additions	19,116
At 31 October 1996	19,116
DEPRECIATION:	
Charge for period	4,979
At 31 October 1996	4,979
NET BOOK VALUE:	
At 31 October 1996	14,137

Pharm-Olam International (UK) Limited

Notes to the Abbreviated Financial Statements
for the Period 14 November 1995 to 31 October 1996

3. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	£
Number:	Class:		
100,000	Ordinary	£1	100,000
Allotted, issued and fully paid:		Nominal value:	£
Number:	Class:		
50,000	Ordinary	£1	50,000

49,999 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

4. TRANSACTIONS WITH DIRECTOR

Creditors include £159,210 due to overseas entities in which Dr Z. M. Munk has a controlling interest. The loans are interest-free, unsecured and repayable on demand.