

Original Investments PLC
(Formerly BioProjects International PLC)

Report and Financial Statements
Year Ended
31 March 2006

Original Investments PLC

Original Investments PLC (Formerly BioProjects International PLC)

Annual Report and Financial Statements for the year ended 31 March 2006

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Directors and Advisers

Directors

Jim Slater	(Chairman)
Terry Bond	(Deputy Chairman and Managing Director)
Dr Richard Dixey	(Non-Executive)
Julian Viggars	(Non-Executive)

Secretary and Registered Office

Mark Collingbourne, Ashcombe Court, Woolsack Way, Godalming, Surrey GU7 1LQ.

Nominated Adviser and Broker

Seymour Pierce Limited, Bucklersbury House, 3 Queen Victoria Street, London EC4N 8EL.

Auditors

BDO Stoy Hayward LLP, 8 Baker Street, London W1U 3LL.

Solicitors

Faegre & Benson LLP, 7 Pilgrim Street, London EC4V 6LB.

Bankers

The Royal Bank of Scotland PLC, Edinburgh West End Office,
142-144 Princess Street, Edinburgh EH2 4EQ.

Registrars

Capita Registrars, Northern House, Woodsome Park, Fenay Bridge,
Huddersfield HD8 0LA.

Company Number

3971582

Chairman's Statement

I am pleased to report on the financial results of Original Investments (OI or the Company) for the year ended 31 March 2006 and to announce that we have reached an important milestone in our history.

You will recall that at the last AGM shareholders approved the change in the Company's investment policy and the change of name from BioProjects International to Original Investments. Neither of our existing investments, The Acrobot Company (Acrobot) or ViaLogy Corp (ViaLogy), were in the business of biotechnology. We wanted a company name that more accurately reflected our investments and our expanded investment policy.

We spent considerable time at the beginning of the year doing due diligence on a number of investment opportunities in various sectors but it soon became apparent that the greatest potential for shareholder value lay with ViaLogy, a business in which we had already made our largest investment. You may remember that in last year's Chairman's Statement I foreshadowed this possibility. We have therefore worked diligently with our fellow directors and ViaLogy's management to guide ViaLogy's progress and, with our co-investors Aeris Holdings and others, we have continued to provide financial support to ViaLogy.

As you will see from the enclosed Admission Document, the board of directors of OI is now recommending that OI purchases the remaining share capital of ViaLogy, by way of a merger of ViaLogy into a wholly owned subsidiary of the Company. OI already owns 43.76% of ViaLogy. The consideration for the acquisition will be the issue to the ViaLogy shareholders (other than OI) of 92,034,214 ordinary shares in the capital of the Company. The acquisition is subject to the approval of OI shareholders at the Annual General Meeting.

The purpose of the Admission Document is to explain the proposal and to share with you the reasons the Directors believe it is in the best interests of the Company.

ViaLogy Corp

In the Admission Document you will find a detailed description of ViaLogy and its activities. It is a remarkable company with ground-breaking technology that we believe is ready to make a major impact in some significant areas. Our faith is shared by a number of international organisations including one of the world's biggest companies, Cisco Systems (Cisco).

Since the beginning of this year a team of ViaLogy scientists, led by technical director Dr Sandeep Gulati, has been working with Cisco to incorporate ViaLogy technology into a number of new Cisco products. For commercial and security reasons much of the detail of their work must remain confidential but we have Cisco's permission to reveal some general information concerning the planned applications. It is a fascinating array - border surveillance, homeland security, early detection of air and water contamination, instant inter-communication between emergency authorities. The list of potential applications is both long and impressive.

In addition, ViaLogy is working with other companies to integrate its technology for their purposes. It has a development contract with Evolution Petroleum, an American oil exploration company, adapting the technology to improve the process for the detection of oil and gas deposits. And last month ViaLogy signed an agreement with Boeing related to missile seeker development.

These strong commercial beginnings are the result of five years' development work to refine the technology, which has its origins in Caltech/NASA's Jet Propulsion Laboratory. The technology evolved from the need to identify and understand information contained in radar signals sent from space but so weak that they were blurred by background 'noise'. Lateral thinking and commercial co-operation has honed the technology so that it now has the potential to be applied in a variety of different industries.

Chairman's Statement (*Continued*)

The Acrobot Company Limited

Acrobot develops precision surgical systems for minimally invasive, bone conserving, orthopaedic surgery. During the year it has made steady progress in converting its technology, which has its origins in the laboratories of Imperial College, London, to a firm commercial proposition. In this task it has benefited from a strong partnership with Corin, the London Stock Exchange-quoted healthcare company which is a world leader in the field of hip implants. The collaboration has resulted in the successful adaptation of Acrobot's patented Navigation device to suit Corin's Cormet implants. A commercial agreement between the two organisations has now been signed and Corin has further validated its belief in Acrobot by joining OI and Imperial College as significant shareholders in Acrobot. In these circumstances the OI board believes that our investment in Acrobot will increase in value in the medium term.

Finances & Performance

OI considers the key performance indicators of its business to be profits on sale of investments and the book value of investments.

The Company's activities during the year have shown a net loss for the year of £71,445. This compares with the previous year's £593,306 profit, which was achieved mainly from the sale of our holding in Acolyte Biomedica.

Investment book value stands at £4.7m compared to £3.5m in the prior year. This increase is a result of capitalization of loans to ViaLogy into preference shares.

Changing Faces

During the year we said goodbye to Mark Jones, Company Secretary and Financial Controller of the Company since its formation. Mark has joined a major bank in his home city, Edinburgh. His successor is Mark Collingbourne, a chartered accountant who, in anticipation of the acquisition of ViaLogy, was appointed as Chief Finance Officer of ViaLogy.

The acquisition of ViaLogy will see changes to the board of directors of the Company. At the Annual General Meeting I intend to relinquish my position as Chairman and to resign from the board. I am now 77 and make a point of avoiding overseas travel as much as possible. ViaLogy's headquarters are in California and its products have international appeal. Following the acquisition of ViaLogy the Company will benefit from having an executive chairman who is prepared to travel whenever necessary. As was announced on 11 September 2006, Dr. John Broome, who is 75 and lives on the east coast of America, resigned as a director of Original Investments and ViaLogy. I'm pleased to say that the Company will continue to benefit from his wide experience because he has agreed to join ViaLogy's Scientific Advisory Board.

Two non-executive directors of OI will also be resigning. Dr. Richard Dixey and Julian Viggars have been staunch supporters of the company since its formation and I thank them for their help. Like me, they recognize the need for more specialist direction now that the Company is to become an international trading entity.

I should emphasise that I have no present intention of selling my personal shareholding in the Company. On the contrary I have every confidence in the new team and believe their efforts will be very rewarding. I am happy to hand over the Chairman's reins to my good friend Terry Bond who has to a large degree masterminded the acquisition of ViaLogy. I wish him, his colleagues and shareholders every success in the future.

Jim Slater
Chairman

22 September 2006

Report of the Directors for the year ended 31 March 2006

The Directors present their report together with the audited financial statements for the year ended 31 March 2006.

Results and dividends

The profit and loss account is set out on page 10 and shows the loss for the year.

The Directors do not recommend a final ordinary dividend for the year (2005 – £Nil).

Principal activities, trading review and future developments

The main aim of the company has been to invest in unquoted companies with significant potential or undervalued quoted companies.

The Company changed its name from BioProjects International PLC to Original Investments PLC at the annual general meeting on 28 September 2005.

A detailed review of the business is given in the Chairman's Statement.

Ethical position on animal rights

Original Investments is not involved in any animal research or testing nor does it hold any investments which are involved in any animal research or testing.

Original Investments will not invest funds in an enterprise which knowingly exploits, harms or abuses animals.

Financial instruments

Details of the financial instruments used by the Company are contained in note 12 of the financial statements.

Payments to suppliers

The Company agrees terms and conditions under which business transactions with suppliers are conducted. It is Company policy that, provided a supplier is complying with the relevant terms and conditions, including the prompt and complete submission of all specified documentation, payment will be made within a reasonable period of the invoice being received and in any case within the agreed payment period. The number of days' purchases outstanding at 31 March 2006 for the Company was 6 days (2005 41 days).

Risks and uncertainties

The main business risk facing the Company is the underlying recoverability of investments. This is discussed in more detail in note 12 to the financial statements.

Going concern

Following its review of the Company's financial plans, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements set out on pages 10 to 20 have been prepared on a going concern basis.

Original Investments PLC (Formerly BioProjects International PLC)

Report of the Directors for the year ended 31 March 2006 (Continued)

Directors and their interests

The Directors of the Company at the year end and their interests (including non-beneficial interests) in the ordinary share capital, warrants and share options of the Company were:

	Ordinary shares of 1p each	
	2006	2005
Jim Slater (note 1)	26,485,000	25,485,000
Terry Bond (note 2)	13,925,000	7,925,000
Dr John Broome (resigned 6 September 2006)	12,500,000	10,000,000
Dr Richard Dixey	4,900,000	3,400,000
Julian Viggars (note 3)	280,000	280,000

Note 1: Jim Slater's interests include interests in 7,985,000 Ordinary Shares owned by the Gladerange Executive Pension Scheme in which he has a beneficial interest; 10,000,000 Ordinary Shares owned by Artemis Management Services Limited in which he has a beneficial interest and a non beneficial interest in 7,000,000 Ordinary Shares held by the Slater Foundation.

Note 2: Terry Bond's interests include interests in 1,800,000 Ordinary Shares beneficially owned by his wife and 625,000 Ordinary Shares beneficially owned by Arbroath Investments Inc. in which Mr Bond has a non-beneficial interest.

Note 3: Julian Viggars interests include interests in 180,000 Ordinary Shares beneficially owned by his wife.

The directors' interests in the share options and warrants of the company as at 31 March 2005 and 31 March 2006 were as follows:

	Options 31 March 2006	Options 31 March 2005	Warrants 31 March 2006	Warrants 31 March 2005
Jim Slater	–	2,500,000	–	4,000,000
Terry Bond	–	2,500,000	–	6,000,000
Dr John Broome	–	1,500,000	–	2,500,000
Dr Richard Dixey	–	–	1,000,000	3,500,000
Julian Viggars	–	3,000,000	–	2,000,000
	–	9,500,000	1,000,000	18,000,000

Report of the Directors for the year ended 31 March 2006 (Continued)

Substantial shareholdings

Excluding Directors whose shareholdings are set out above, the following have declared an interest of 3% or more in the Company's issued ordinary share capital at 31 March 2006. No other shareholder had declared an interest of 3% or more in the Company's issued ordinary share capital by 2 August 2006.

Name	Ordinary shares	Percentage ordinary shares
Atlas Capital S.A.	17,700,000	5.7%
Christopher Slater (note 1)	12,585,000	4.0%

Note 1: Christopher Slater's interests include 600,000 Ordinary Shares in which his children are interested and 7,985,000 Ordinary Shares owned by the Gladerange Executive Pension Scheme in which he has a beneficial interest.

None of the Directors is aware of any interest, apart from those listed above, which represents 3% or more of the issued share capital of the Company or which directly or indirectly, jointly or severally, exercises or could exercise control of the Company.

The market price of the Company's shares at the end of the financial year was 4.62p; the highest and lowest closing share prices during the year were 5.25p and 1.34p respectively.

Report of the Directors for the year ended 31 March 2006 (Continued)

Biographies of Directors

EXECUTIVE

Jim Slater (aged 77)

Jim Slater is a Chartered Accountant. He was Deputy Sales Director of the Leyland Motor Corporation from 1961-3 and subsequently became a non-executive Director of BLMC from 1969-75. From 1964-75 Jim Slater was Chairman of Slater Walker Securities which began as a small shell company and became a substantial industrial conglomerate. In 1969 it developed into an investment bank, which failed when it became a victim of the 1974-5 secondary banking crisis. From 1976 to date he has been a professional investor in both shares and property. He has written several best-selling investment books and also devised Really Essential Financial Statistics (REFS) with Hemmington Scott, the publisher.

Terry Bond (aged 68)

During the 1960s Terry Bond was Managing Director of a public relations consultancy. Throughout the 1970s he was Sir Chay Blyth's business partner and Managing Director of Chay Blyth Supersail. In 1980 Terry was appointed Managing Director of International Property Marketing Limited ('IPM') and in 1987 he was appointed Sales and Marketing Director for Wimpey Leisure. During the 1990s he was a director of ProShare (UK) Ltd, responsible for building up the British investment club movement to 12,000 clubs. Representing the interests of the Company, Terry is chairman of ViaLogy and a director of Acrobot. He is also managing director of Sector Investment Managers, which is investment adviser to Junior Oils Unit Trust. Junior Oils Trust is an authorised and quoted unit trust specialising in investing in quoted oil and gas exploration and production companies.

NON-EXECUTIVE

Dr Richard Dixey (aged 53)

Dr Richard Dixey has a BA (Hons) in Physiological Sciences (Oxford, 1973), a PhD in Biophysics (London, 1984) and an MSc in History and Philosophy of Science (London, 1988). He founded the Bioelectronic Research Unit at St Bartholomew's Hospital, London in 1979 and became the Director of the unit in 1984. In 1990, he became a founding Director of Phytopharm Limited and its Vice Chairman in 1992. In 1994, he became Chief Executive Officer of the company and led its flotation as Phytopharm plc in 1996. In 1989, he founded Chakra Limited, an investment company, of which he remains a Director.

Julian George Viggars (aged 38)

Julian Viggars is a Chartered Accountant and has a BSc in Geology and Chemistry. He is currently an Investment Director at Enterprise Ventures, one of the leading providers of venture capital and private equity to high growth unquoted companies throughout the North of England and the Midlands. He was previously with the London-based accountancy firm Smith & Williamson, latterly as an Associate Partner. During his time with Smith & Williamson he spent some five years dealing with private equity transactions and completed an 18 month secondment at Barclays Ventures.

Report of the Directors for the year ended 31 March 2006 (Continued)

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 of the Company for that year. 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; and
- 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 are 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.

Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Auditors

All of the current directors have taken all the steps necessary to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board

Jim Slater
Chairman

22 September 2006

Report of the Independent Auditors

To the shareholders of Original Investments PLC (Formerly BioProjects International PLC)

We have audited the financial statements of Original Investments PLC for the year ended 31 March 2006 which comprise the Profit and Loss account, the Balance Sheet, the Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the annual report and consider whether it is consistent with the audited financial statements. The other information comprises only the directors' report and the chairman's statement. 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

Report of the Independent Auditors (*Continued*)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 March 2006 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

BDO Stoy Hayward LLP
Chartered Accountants
and Registered Accountants
London

22 September 2006

Original Investments PLC (Formerly BioProjects International PLC)

Profit and Loss Account for the year ended 31 March 2006

	Note	2006 £	2005 £
Turnover	2	6,852	19,110
Administrative expenses		264,511	271,035
Operating loss	5	(257,659)	(251,925)
Profit on disposal of fixed asset investments		–	746,117
(Loss)/Profit on ordinary activities before interest and other income		(257,659)	494,192
Interest receivable		186,214	99,114
(Loss)/Profit on ordinary activities before and after taxation	6	(71,445)	593,306
Earnings per share			
Basic earnings per share	7	(0.023)p	0.21p
Diluted earnings per share	7	(0.023)p	0.19p

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 13 to 20 form part of these financial statements.

Original Investments PLC (Formerly BioProjects International PLC)

Balance Sheet at 31 March 2006

	Note	2006 £	2006 £	2005 £	2005 £
Fixed assets					
Tangible assets	8		2,866		3,809
Investments	9		4,782,284		3,535,056
			<u>4,785,150</u>		<u>3,538,865</u>
Current assets					
Debtors	10	22,523		749,066	
Cash at bank and in hand	19	2,813,558		3,176,484	
		<u>2,836,081</u>		<u>3,925,550</u>	
Creditors: amounts falling due within one year					
	11	36,446		38,185	
			<u>2,799,635</u>		<u>3,887,365</u>
Net current assets					
Total assets less current liabilities					
			<u>7,584,785</u>		<u>7,426,230</u>
Capital and reserves					
Called up share capital	13	3,112,222		2,882,222	
Share premium account	14	7,639,013		7,601,513	
Share scheme reserve	14	–		87,500	
Warrant reserve	14	–		66,240	
Profit and loss account	14	(3,166,450)		(3,211,245)	
			<u>7,584,785</u>		<u>7,426,230</u>
Shareholders' funds					
	15		<u>7,584,785</u>		<u>7,426,230</u>

The financial statements were approved by the Board on 22 September 2006 and authorised for issue on 27 September 2006.

Jim Slater
Director

The notes on pages 13 to 20 form part of these financial statements.

Original Investments PLC (Formerly BioProjects International PLC)

Cash Flow Statement for the year ended 31 March 2006

	Note	2006 £	2006 £	2005 £	2005 £
Net cash outflow from operating activities	17		(303,095)		(310,842)
Returns on investments and servicing of finance					
Interest received			186,213		99,114
Capital expenditure and financial investment					
Increase in loans to Investee Company		(476,118)		(542,936)	
Payments to acquire tangible fixed assets		-		(2,581)	
Receipt from sale of fixed asset investments		-		2,495,745	
			(476,118)		1,950,228
Management of liquid resources					
Cash (outflow)/inflow from increase in liquid resources			1,119		(9,393)
Cash inflow/(outflow) before financing			(591,881)		1,729,107
Financing					
Cash inflow from exercise of warrants		230,000		1,010,000	
Issue costs incurred on issue of shares		-		(18,695)	
			230,000		991,305
(Decrease)/Increase in cash	19		(361,881)		2,720,412

The notes on pages 13 to 20 form part of these financial statements.

Notes forming part of the Financial Statements for the year ended 31 March 2006

1. Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax. Turnover is recognised when the consultancy services are provided.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Office equipment – 20% per annum, reducing balance

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for permanent impairment in value.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the Company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Options and warrants

Where share options are issued to employees and directors a profit and loss account charge is made equal to the difference between the fair value of shares at the date the award was made and the exercise price of the share options. The charge is spread in accordance with UITF17. Warrants issued by the company are recorded at the fair value of the consideration received and are reported in the reconciliation of movement in shareholders' funds in the period in which they are issued.

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Liquid Resources

For the purposes of the cash flow statement, liquid resources are defined as the balances on short term deposit foreign currency accounts.

Accounting Standards

During the year the company adopted FRS 21 'Events after the balance sheet date', FRS 22 'Earnings per share', FRS 28 'Corresponding amounts' and the presentational requirements of FRS 25 'Financial instruments (Disclosure and Presentation)'. None of these standards had any impact on the net assets of the company nor on its loss for the year.

Financial Liability and Equity

Financial liability and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial Instruments

Financial instruments are measured initially and subsequently at cost. Short term debtors and creditors are excluded from the financial instrument disclosures in note 12.

Original Investments PLC (Formerly BioProjects International PLC)

Notes forming part of the Financial Statements for the year ended 31 March 2006 (Continued)

2. Segmental analysis

Turnover is wholly attributable to the consultancy activity provided by Directors of the Company to trade investments and arises within the United Kingdom (except for US\$12,000 (2005 – US\$12,000) relating to the United States).

	2006 £	2005 £
The split of assets by location are:		
UK	3,002,501	3,367,317
USA	4,582,284	4,058,913
	<hr/>	<hr/>
Net Assets	7,584,785	7,426,230
	<hr/> <hr/>	<hr/> <hr/>

3. Employees

	2006 £	2005 £
Staff costs consist of:		
Wages and salaries	120,000	110,000
Social security costs	28,122	9,761
	<hr/>	<hr/>
	148,122	119,761
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees, including Directors, during the year was 6 (2005 – 6).

The Company does not have a pension scheme and does not pay any pension contributions on behalf of employees.

4. Directors' remuneration

Directors remuneration was as follows:

	2006 £	2005 £
Directors' emoluments	100,000	90,000
Gains on the exercise of warrants	90,000	–
	<hr/>	<hr/>
	190,000	90,000
	<hr/> <hr/>	<hr/> <hr/>

Emoluments of the highest paid director were £85,000 (2005:£31,667)

5. Operating loss

	2006 £	2005 £
This has been arrived at after charging:		
Depreciation of tangible fixed assets	716	952
Auditors' remuneration – audit services	11,500	14,200
– non audit services	2,000	6,500
Foreign exchange differences	(47,325)	17,559
	<hr/> <hr/>	<hr/> <hr/>

Original Investments PLC (Formerly BioProjects International PLC)

Notes forming part of the Financial Statements for the year ended 31 March 2006 (Continued)

6. Taxation on profit from ordinary activities

	2006 £	2005 £
<i>Current tax</i>		
UK corporation tax on profits of the year	-	-
Over provision in prior years	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
(Loss)/Profit on ordinary activities before tax	(71,445)	593,306
	<hr/>	<hr/>
(Loss)/Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2005 – 30%)	(21,434)	177,992
Effects of:		
Expenses not deductible for tax purposes	2,058	638
Capital allowances for year in deficit/(excess) of depreciation	214	(163)
Profit on disposal of investments extinguished by capital losses	-	(223,835)
Exercise of share options	(40,499)	-
Increase in excess management expenses carried forward	59,661	45,368
	<hr/>	<hr/>
Current tax charge for year	-	-
	<hr/>	<hr/>

Factors that may affect future tax charges

Deferred tax assets relating to excess management expenses and capital losses of £1,150,000 and £1,934,000 respectively (2005 – £950,000, £1,293,000) have not been recognised as these losses can only be offset against future taxable profits and at present there is insufficient evidence to justify recognition.

7. Earnings per share

Basic

The calculation of earnings per share is based on the loss for the year of £71,445 (2005 – profit £593,306) and on 307,315,374 (2005 – 281,785,693) ordinary shares, being the weighted average number of ordinary shares in issue during the year:

Diluted

Diluted earnings per share dilute the basic earnings per share to take into account share options and warrants. The calculation includes the weighted average number of ordinary shares that would have been issued on the conversion of all the dilutive share operations and warrants into ordinary shares. The weighted average number of shares for this purpose is 309,815,374. The loss after taxation was unchanged from the basic figure.

Original Investments PLC (Formerly BioProjects International PLC)

Notes forming part of the Financial Statements for the year ended 31 March 2006 (Continued)

8. Tangible assets

Office equipment £

<i>Cost</i>	
At 1 April 2005	6,576
Disposals	227

At 31 March 2006

6,349

Depreciation

At 1 April 2005	2,767
Provided for the year	716

At 31 March 2006

3,483

Net book value

At 31 March 2006 **2,866**

At 31 March 2005 3,809

9. Investments

Unlisted investments £

<i>Cost</i>	
At 1 April 2005	4,581,404
Additions	1,247,228
Disposals	(641,848)

At 31 March 2006

5,186,784

Provisions

At 1 April 2005	1,046,348
Provisions made during the year	–
Disposals	(641,848)

At 31 March 2006

404,500

Net book value

At 31 March 2006 **4,782,284**

At 31 March 2005 3,535,056

The additions relate to the capitalisation of outstanding loans and accrued interest into an equivalent number shares in an investee company.

Original Investments PLC (Formerly BioProjects International PLC)

Notes forming part of the Financial Statements for the year ended 31 March 2006 (Continued)

The principal undertakings in which the Company has an interest at the year end are as follows:

	Class of share capital held	Percentage of share capital held %
<i>Participating interest:</i>		
The Acrobot Company Limited, incorporated in England	Ordinary	22.5%
ViaLogy Corp Inc. incorporated in USA	Ordinary, Series A-1 and Series B	39%

The company also holds 1,250,000 warrants in Bionex Investments plc exercisable at 2.5p each, at any time before 31 December 2006 and 1,250,000 warrants exercisable at 2.5p each at any time from 1 January 2007 to 31 December 2010. The fair value of the Bionex warrants has been estimated as nil as the exercise price is currently in excess of the quoted Bionex share price.

10. Debtors

	2006 £	2005 £
Trade debtors	4,511	12,447
Other debtors and prepayments	18,012	12,762
Loans to investee company	–	723,857
	<hr/>	<hr/>
	22,523	749,066
	<hr/> <hr/>	<hr/> <hr/>

The outstanding loans to the investee company were capitalised into an equivalent number of shares.

All amounts shown under debtors fall due for payment within one year.

11. Creditors: amounts falling due within one year

	2006 £	2005 £
Trade creditors	1,878	17,013
Other creditors	7,568	1,007
Accruals	27,000	20,165
	<hr/>	<hr/>
	36,446	38,185
	<hr/> <hr/>	<hr/> <hr/>

Notes forming part of the Financial Statements for the year ended 31 March 2006 (Continued)

12. Financial assets & liabilities

During the period, the Company's financial instruments comprised cash and items such as trade debtors and creditors that arise directly from operations.

The Company does not trade in financial instruments.

The Company holds financial instruments for current operations. The principal financial risks faced by the Company are interest rate risk, credit risk, fair value of investments and liquidity risk. The Board reviews and agrees policies for managing its financial risks as necessary.

The Company's financial assets to which interest rates apply are:

	Fixed rate 2006	Fixed rate 2005	Floating rate 2006	Floating rate 2005
Sterling	–	–	2,808,032	3,169,914
US\$	–	–	5,526	6,570

Interest rate risk

The Company is exposed to interest rate risk from its interest-earning financial assets. The floating rate assets are held in a money market account earning interest on a LIBOR based rate. The interest rate risk is mitigated by the fact cash is held in short-term deposits allowing rapid transfer of funds to alternative commercial banks to obtain improved interest rates.

The Company's current account is swept at the end of each day into a short term money market account. A US dollar account is retained for any US investment opportunities which may arise. The money is placed on weekly deposit.

Fair value of investments

The fixed asset investments represent investments in unlisted companies and have a carrying value of £4,782,284. The cash flows, and as a result the fair value, of these investments cannot be reliably estimated as the investee companies are involved in specialist industries with complex technologies that are still at an early stage of their development. The fair value of the investments is dependent on a number of factors including the results of clinical trials, the emergence or activities of competitors, the availability of sufficient funding, the successful marketing of each investee company's technology and the development of a customer base.

The Directors consider the fair values of the financial assets are not materially different from their book values. The risk is mitigated by ensuring there is representation on the board of all investments to ensure that decisions made by the investee companies are for the benefit of shareholders.

Liquidity risk

The Company holds funds in short-term bank deposits. Overheads are low, meaning that adequate funds exist to allow the Company to continue to trade for the foreseeable future.

Credit risk

During the year, the company's credit risk was primarily attributable to its cash balances, its loans to its investee companies and its trade debtors. The credit risk on liquid funds is limited as the funds are held at banks with high credit ratings and its loans to investees were capitalised during the year. Trade debtors are spread over a range of customers, a factor which helps to dilute the concentration of risk but to further help mitigate the exposure, credit worthiness checks are undertaken before entering into contracts with new customers and credit limits are set on all new and existing customers. Amounts presented in the balance sheet are stated net of allowances for doubtful recovery.

Original Investments PLC (Formerly BioProjects International PLC)

Notes forming part of the Financial Statements for the year ended 31 March 2006 (Continued)

13. Share capital

	2006 Number	Authorised 2005 Number	2006 £	2005 £
Ordinary shares of 1p each	500,000,000	500,000,000	5,000,000	5,000,000
	2006 Number	2005 Number	2006 £	2005 £
Ordinary shares of 1p each	311,222,223	288,222,223	3,112,222	2,882,222

On 1 June 2005 the company issued 23,000,000 new ordinary shares of 1p each, for a consideration of £230,000 following the exercise of 23,000,000 warrants at an exercise price of 1p.

Warrants

At 31 March 2006, the following warrants were outstanding in respect of ordinary shares.

Number	Exercise period	Exercise price
2,500,000	May 2005 to May 2012	6p
<u>2,500,000</u>		

14. Reserves

	Share premium account £	Share scheme reserve £	Warrant reserve £	Profit and loss account £
At 1 April 2005	7,601,513	87,500	66,240	(3,211,245)
Arising on the issue of shares	37,500	–	–	–
Transfer on lapse of share options and warrants	–	(87,500)	(66,240)	116,240
Loss for the year	–	–	–	(71,445)
At 31 March 2006	7,639,013	–	–	(3,166,450)

15. Reconciliation of movements in shareholders' funds

	2006 £	2005 £
(Loss)/Profit for the year	(71,445)	593,306
New share capital subscribed	230,000	232,222
Premium on shares issued during the year (net of issue costs)	–	759,083
Net increase in shareholders' funds	158,555	1,584,611
Opening shareholders' funds	7,426,230	5,841,619
Closing shareholders' funds	7,584,785	7,426,230

Original Investments PLC (Formerly BioProjects International PLC)

Notes forming part of the Financial Statements for the year ended 31 March 2006 (Continued)

16. Related party transactions

Related party transactions and balances

The Company pays £500 per month (2005 – £500 per month) contribution towards general office expenses to Artemis Management Services Limited, a company in which Jim Slater is a director and in which he has a beneficial interest. The Company also contributed towards secretarial and administration services of £9,960 (2005 – £9,130) to Artemis Management Services Limited. The total amount outstanding at the year end was £nil (2005 – £6,451).

17. Reconciliation of operating loss to net cash outflow from operating activities

	2006 £	2005 £
Operating loss	(257,659)	(251,925)
Depreciation of tangible fixed assets	716	952
Increase/(Decrease) in debtors	2,686	(61,099)
Decrease in creditors	(1,512)	(16,329)
Foreign exchange movements	(47,326)	17,559
	<u>(303,095)</u>	<u>(310,842)</u>

Foreign exchange movements include movements of £14,610 relating to loans made to ViaLogy.

18. Reconciliation of net cash inflow to movement in net funds

	2006 £	2005 £
(Decrease)/Increase in cash	(361,881)	2,720,412
Foreign exchange movements	(1,119)	(2,949)
Increase in liquid resources	74	9,393
Opening net funds	3,176,484	449,628
	<u>2,813,558</u>	<u>3,176,484</u>

19. Analysis of net funds

	At 1 April 2005 £	Cash flow £	Foreign exchange movements £	At 31 March 2006 £
Cash in hand and at bank	3,169,914	(361,881)	–	2,808,033
Liquid resources	6,570	(1,119)	74	5,525
	<u>3,176,484</u>	<u>(363,000)</u>	<u>74</u>	<u>2,813,558</u>

20. Post balance sheet events

The Board of Directors of Original Investments have made a recommendation that the Company purchase the remaining share capital of ViaLogy Corp. The proposal will be put to an Extra-Ordinary General meeting of the Company on 12 October 2006.

Original Investments PLC
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