

SCANCELL HOLDINGS PLC
(‘Scancell’ or the ‘Company’)

Audited Results for the Year Ended 30 April 2008 for Scancell Limited

The Directors of Scancell Holdings Plc are pleased to announce the audited results for Scancell Limited for the year ended 30 April 2008.

Chairman’s Statement

In the last financial year we have consolidated our position in relation to the science and the finances of the Company. In November, I was elected Non-Executive Chairman and brought my considerable experience in listed companies to the board. A decision was made at the beginning of 2008 to list the Company on the PLUS Market (www.PLUSmarketsgroup.com) and successfully achieved on the 24th of September 2008. This has attracted new finance to progress our lead product SCIB1 into the clinic and continue the development of the ImmunoBody platform. A decision was made by the directors that they are not paying a dividend for the period.

We look forward to updating shareholders with developments over the coming months.

David Evans
Chairman

**Report of the Directors and Financial Statements
for the Year Ended 30 April 2008 for Scancell Ltd**

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for the Year Ended 30 April 2008**

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**Company Information
for the Year Ended 30 April 2008**

DIRECTORS: Mr N J F Evans
Prof. L G Durrant
Dr M G W Frohn
Dr R M Goodfellow
Mr T M Rippon
Mr D E Evans

SECRETARY:Mr N J F Evans

REGISTERED OFFICE:Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

REGISTERED NUMBER:03234881 (England and Wales)

AUDITORS:Champion Accountants LLP
2nd Floor
Refuge House
33-37 Watergate Row
Chester
CH1 2LE

**Report of the Directors
for the Year Ended 30 April 2008**

The directors present their report with the financial statements of the company for the year ended 30 April 2008.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the discovery and development of novel monoclonal antibodies and vaccines for the treatment of cancer. Since December 2006 the Company has focussed its activities solely on its vaccine business.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

In the last financial year we have consolidated our position in relation to the science and the finances of the Company. In November I was elected Chairman in succession to Nigel Evans (who has been in the post for 7 years) and we have been looking at how we might take the company forward with new financing. A decision has been made to list the company's shares on the PLUS market with the aim of attracting new finance and this process is well advanced.

The Company has made dramatic progress from the low position reached in May 2006 and we now feel there are very strong possibilities for shareholders to achieve a good return on their investments. As ever the chances of this depend on new discoveries in the scientific field and we continue to support Lindy Durrant in her efforts, on our behalf, to bring it to a marketable state. We depend as well on the skills and experience of Richard Goodfellow in achieving the potential that the science offers. I am optimistic that, over the next few years, we will have more encouraging news to report.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2007 to the date of this report.

Mr N J F Evans
Prof. L G Durrant
Dr M G W Frohn
Dr R M Goodfellow
Mr T M Rippon

Other changes in directors holding office are as follows:

Mr C R Hulatt - resigned 10 September 2007
Mr D E Evans - appointed 20 November 2007

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

During the year Champion Accountants LLP were appointed as auditors to the Company.

A resolution to re-appoint Champion Accountants LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:.....

MR D E EVANS - Director
19 September 2008

**Independent Auditors Report to the Shareholders of Scancell Limited
for the Year Ended 30 April 2008**

We have audited the financial statements of Scancell Ltd for the year ended 30 April 2008 on pages 5 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditors' report 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 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 on page two.

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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we 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 the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

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 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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 April 2008 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 Report of the Directors is consistent with the financial statements.

Champion Accountants LLP
 Registered Auditors
 2nd Floor
 Refuge House
 33-37 Watergate Row
 Chester
 CH1 2LE

19 September 2008

020 7628 5582

Profit and Loss Account
For the Year Ended 30 April 2008

	Notes	30.04.2008	30.04.2007
		8	7
		£	£
TURNOVER		231	2,176,317
Cost of sales		<u>241,262</u>	<u>520,456</u>
GROSS (LOSS)/PROFIT		(241,031)	1,655,861
Administrative expenses		<u>268,657</u>	<u>700,594</u>
		(509,688)	955,267
Other operating income		-	<u>57,101</u>
OPERATING (LOSS)/PROFIT	2	(509,688)	1,012,368
Interest receivable and similar income		<u>60,649</u>	<u>26,905</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(449,039)	1,039,273
Tax on (loss)/profit on ordinary activities	3	(43,732)	148,727
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(405,307)</u>	<u>890,546</u>
Basic earnings per share (pence) for loss/profit attributable to equity			<u>890,546</u>

shareholders	(22.40)	60.26
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Basic earnings per share is calculated by dividing the net loss/ profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Earnings per share have been calculated on the net basis on the loss on ordinary activities after taxation of £405,037 (2007 – profit £890,546) using the weighted average number of ordinary shares in issue of 1,809,471 (2007 – 1,477,817 as adjusted).

CONTINUING OPERATIONS

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

Balance Sheet 30 April 2008

	Notes	30.04.2008 £	30.04.2007 £
FIXED ASSETS			
Tangible assets	4	86,652	113,119
CURRENT ASSETS			
Debtors	5	51,145	19,807
Cash in bank and in hand		<u>997,747</u>	<u>1,504,938</u>
		1,048,892	1,524,745
CREDITORS			
Amounts falling due within one year	6	<u>88,351</u>	<u>206,209</u>
NET CURRENT ASSETS		<u>960,541</u>	<u>1,318,536</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,047,193</u>	<u>1,421,655</u>
CAPITAL AND RESERVES			
Called up share capital	8	19,290	15,060
Share premium	9	5,100,168	4,681,453
Profit and los account	9	<u>(4,072,2650)</u>	<u>(3,264,858)</u>
SHAREHOLDER FUNDS	11	<u>1,047,193</u>	<u>1,431,655</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the financial reporting standard for smaller entities (effective January 2007).

The financial statements were approved by the Board of Directors on 19 September 2008 and were signed on its behalf by:

.....
Prof. L G Durrant - Director

Notes to the Financial Statements
for the Year Ended 30 April 2008

1.ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

Turnover represents net invoiced sales of goods, services and intellectual property, 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.

Plant and machinery etc- 33% on reducing balance and 25% on reducing balance

Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date, to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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 on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a stakeholder pension scheme for directors and employees and also contributes to eligible directors' personal pension schemes. The contributions payable in the year are charged to the profit and loss account.

2. OPERATING (LOSS)/PROFIT

The operating loss (2007 - operating profit) is stated after charging:

	30.04.08	30.04.07
	£	£
Other operating leases	10,763	3,742
Depreciation - owned assets	26,983	44,901
Loss on disposal of fixed assets	-	79,187
Auditor's Remuneration	10,000	-
Pension costs	<u>-</u>	<u>2,500</u>
Directors' emoluments and other benefits etc	<u>15,000</u>	<u>82,646</u>

Auditors' remuneration relates to the audit of the financial statements for this and previous accounting periods for the purposes of the proposed plus market listing.

3. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	30.04.08	30.04.07
	£	£
Current tax:		
UK corporation tax	<u>(43,732)</u>	<u>148,727</u>
Tax on (loss)/profit on ordinary activities	<u>(43,732)</u>	<u>148,727</u>

The company has tax losses to carry forward against future profits of approximately £2,200,000 (30 April 2007 -£1,900,000)

A deferred tax asset has not been recognised in respect of these losses as the company does not anticipate sufficient taxable profits to arise within the immediate future to fully utilise them.

The estimated value of the deferred tax asset not recognised, measured at a standard rate of 21% (April 2007-19%) is £462,000 (2007 - £361,000).

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 May 2007	253,112
Additions	<u>516</u>
At 30 April 2008	<u>253,628</u>

DEPRECIATION

At 1 May 2007		139,993
Charge for year		<u>26,983</u>
At 30 April 2008		<u>166,976</u>
NET BOOK VALUE		
At 30 April 2008		<u>86,652</u>
At 30 April 2007		<u>113,119</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.08	30.4.07
	£	£
Trade debtors	8	8
Taxation recoverable	43,732	-
Other debtors	<u>7,405</u>	<u>19,799</u>
	<u>51,145</u>	<u>19,807</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.4.08	30.4.07
	£	£
Trade creditors	32,344	49,628
Corporation tax	-	148,727
Other taxation and social security	3,428	3,354
Other creditors and accruals	<u>52,579</u>	<u>4,500</u>
	<u>88,351</u>	<u>206,209</u>

7. OPERATING LEASE COMMITMENTS

The following annual operating lease payments are committed to be paid:

	Land and buildings	
	30.4.08	30.4.07
	£	£
Expiring:		
Between one and five years	<u>12,596</u>	<u>-</u>

8. CALLED UP SHARE CAPITAL

Authorised:	Class:	Nominal value:	30.4.08	30.4.07
Number:			£	£
3,943,318	Ordinary shares	1p	39,433	40,000
(30.4.07 - 4,000,000)				
28,341	Ordinary shares	2p	<u>567</u>	<u>-</u>
			<u>40,000</u>	<u>40,000</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	30.4.08	30.4.07
1,872,421	Ordinary shares	1p	£ 18,723	£ 15,060
(30.4.07 - 1,506,158)				
28,341	Ordinary shares	2p	<u>567</u> <u>19,290</u>	<u>-</u> <u>15,060</u>

On July 19th 2007, the Scancell Ltd Employee Benefit Trust, jointly with the executive directors Mr N J F Evans, Professor L G Durrant and Dr R M Goodfellow, subscribed for a total of 422,945 1p ordinary shares at a premium of 99p per share. The consideration of £422,945 was partly financed by a loan of £402,100 from the Company to the Employee Benefit Trust.

9. RESERVES

	Totals	Profit & Loss A/c	Share Premium
	£	£	£
At May 1st 2007	1,416,595	(3,264,858)	4,681,453
Deficit for the period	(405,307)	(405,307)	-
Loan to Employee Benefit Trust to subscribe for shares	(402,100)	(402,100)	-
Premium on Employee Benefit Trust and directors' share issue	<u>418,715</u>	<u>-</u>	<u>418,715</u>
At April 30th 2008	<u>1,027,903</u>	<u>(4,072,265)</u>	<u>5,100,168</u>

10. RELATED PARTY DISCLOSURES

During the year the following directors provided consultancy services to the company as follows:

Mr N J Evans	£ 6,876	(2007:£37,000)
Dr R M Goodfellow	£30,523	(2007:£92,500)
Professor L Durrant	£25,400	(2007:£92,500)

Other creditors at 30 April 2008 include balances owed to companies controlled by the directors as follows:

Mr N J Evans	£ nil	(2007: £nil)
Dr R M Goodfellow	£ 2,671	(2007: £nil)

All of the above transactions were conducted on normal commercial terms.

On 19 July 2007 all share options granted to executive directors Mr N J F Evans, Professor L G Durrant and Dr R M Goodfellow, were cancelled and replaced by ordinary shares subscribed for jointly by the Scancell Limited Employee Benefit Trust and the executive directors.

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.4.08	30.4.07
	£	£
(Loss)/Profit for the financial year	(405,307)	890,546
Other recognised gains and losses relating to the year (net)	(402,100)	-
Issue of Co shares to EBT & directors	<u>422,945</u>	<u>-</u>
Net (reduction)/addition to shareholders' funds	(384,462)	890,546
Opening shareholders' funds	<u>1,431,65</u>	<u>541,109</u>
	<u>5</u>	
Closing shareholders' funds	<u>1,047,19</u>	<u>1,431,655</u>
	<u>3</u>	

12. CONTINGENT ASSETS

Under an agreement dated 1 December 2006 the Company sold its pre-clinical pipeline of cell killing monoclonal antibodies to Peptech (UK) Ltd (now Arana Therapeutics plc) for an initial consideration of £2,000,000 with a further amount of £2,850,000 payable if certain performance criteria are achieved. Payment of this amount is conditional on the antibodies reaching certain performance criteria within a period of five years from the date of completion of the sale. The likelihood of this further amount being received is uncertain and the financial statements do not reflect any amounts that may be due in the future.

13. GOING CONCERN

The Directors have reviewed the funding position for the forward period and considered the viability of business plans and budgets. These show that it can continue to trade into 2010 and, if the performance criteria under the agreement with Arana Therapeutics plc are achieved, well beyond that period.

The Company will require further funding to allow it to fully exploit its Immunobody platform. To obtain this funding, discussions are taking place with potential business partners and the Company is in advance stages of raising further funding through a PLUS Market listing.

The Directors consider that based on the funding it has and the further steps being taken, the Company will be able to meet all its obligations for the foreseeable future. Accordingly, the Directors consider that the going concern basis is appropriate for the preparation of these financial statements.

14.POST BALANCE SHEET EVENTS

Scancell Holdings plc was incorporated on 14 April 2008 in anticipation of applying for admission of its shares on the PLUS Market and on 15 July 2008 Scancell Limited became a wholly owned subsidiary of Scancell Holdings plc.

On 8 September 2008, application was made by Scancell Holdings plc for its ordinary shares to be admitted to the PLUS Market and it is anticipated that admission will take place on 24 September 2008.

The Directors of the Issuer accept responsibility for this announcement.

Contact Information:

Company:

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Corporate Advisers:

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