

**MOLECULAR LIGHT TECHNOLOGY  
LIMITED**

**Report and Financial Statements**

**31 December 2003**



**Deloitte & Touche LLP  
Cardiff**

# **MOLECULAR LIGHT TECHNOLOGY LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2003**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>3</b>
<b>Independent auditors' report</b>	<b>4</b>
<b>Consolidated profit and loss account</b>	<b>5</b>
<b>Statement of movements on reserves</b>	<b>6</b>
<b>Consolidated balance sheet</b>	<b>7</b>
<b>Parent company balance sheet</b>	<b>8</b>
<b>Consolidated cash flow statement</b>	<b>9</b>
<b>Notes to the accounts</b>	<b>10</b>

# **MOLECULAR LIGHT TECHNOLOGY LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

Dr J S Woodhead  
Dr I Weeks  
H L Nordhoff  
L Merrill  
R W Bowen  
H Rosenman

### **SECRETARY**

R W Bowen

### **REGISTERED OFFICE**

5 Chiltern Close  
Cardiff Industrial Park  
Cardiff  
CF14 5DL

### **BANKERS**

Barclays Bank Plc

### **SOLICITORS**

Edwards Geldard

### **AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
Cardiff

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

### ACTIVITIES

The principal activity of the company is that of a holding company with subsidiaries engaged in the development of immunodiagnostic technology particularly in the field of chemiluminescence.

### REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The group's results for the year and future prospects are considered to be satisfactory. On 7 August 2003 Gen-Probe UK Limited a UK company and subsidiary company of Gen-Probe Incorporated, a US company, bought 1,015 shares of Molecular Light Technology Limited.

### DIVIDENDS

The results for the year are set out in detail on page 5. The directors have not proposed a final dividend for the current financial year (2002 - £61,450).

### RESEARCH AND DEVELOPMENT

The group continues an active programme of research and development, the costs of which in the year amounted to £27,301 (2002 - £24,667). These costs are written off in the year in which they are incurred.

### DIRECTORS AND THEIR INTERESTS

The present membership of the Board is as shown on page 1. R W Bowen and H Rosenman were appointed as directors on 7 August 2003; L Merrill was appointed as a director on 24 November 2003. K Pittard-Davies and P W F Laing resigned as directors on 7 August 2003. The directors' interests in the shares of the company at 31 December 2003 and 1 January 2003 were:

	31 December 2003 No.	1 January 2003 No.
Dr J S Woodhead	109 'A' Ordinary	215 'A' Ordinary
Dr I Weeks	109 'A' Ordinary	215 'A' Ordinary
H L Nordhoff	-	-
L Merrill	-	-
H Rosenman	-	-
R W Bowen	-	-

### AUDITORS

On 1 August 2003, Deloitte & Touche, the company's auditors, transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989. A resolution to reappoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board

Dr I Weeks  
Director

Date  7. 9. 2004

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 the group as at the end of the financial year and of the profit or loss of the group 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; 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOLECULAR LIGHT TECHNOLOGY LIMITED

We have audited the financial statements of Molecular Light Technology Limited for the year ended 31 December 2003 which comprise the consolidated profit and loss account, the statement of movements on reserves, the balance sheets, the consolidated cash flow statement and the related notes 1 to 24. These financial statements have been prepared under the accounting policies set out therein.

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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 and other members of the group is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

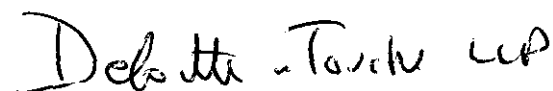
### Basis of audit opinion

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 circumstances of the company and the group, 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 affairs of the company and the group as at 31 December 2003 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
Cardiff

Date ..... 7 September 2004.

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT Year ended 31 December 2003

	Note	2003 £	2002 £
<b>TURNOVER: continuing operations</b>	2	4,299,251	3,849,138
Cost of sales		<u>(1,465,827)</u>	<u>(1,416,966)</u>
Gross profit		2,833,424	2,432,172
Distribution costs		(48,372)	(28,949)
Administrative expenses		<u>(1,551,749)</u>	<u>(1,648,755)</u>
<b>OPERATING PROFIT: continuing operations</b>	4	1,233,303	754,468
Income from other investments		84,418	64,775
Other interest receivable and similar income		63,390	58,028
Interest payable and similar charges	5	<u>(3,318)</u>	<u>(2,574)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,377,793	874,697
Tax on profit on ordinary activities	6	<u>(139,149)</u>	<u>(248,420)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		1,238,644	626,277
Dividends	7	<u>-</u>	<u>(61,450)</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<u>1,238,644</u>	<u>564,827</u>

There are no recognised gains and losses for the current or prior year other than as stated above.

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## STATEMENT OF MOVEMENTS ON RESERVES Year ended 31 December 2003

	Share premium £	Profit and loss account £
<b>The Group</b>		
Balance at 1 January 2003	58,168	4,974,791
Profit for the year	-	1,238,644
Balance at 31 December 2003	<u>58,168</u>	<u>6,213,435</u>
<b>The Company</b>		
Balance at 1 January 2003	58,168	6,869,702
Profit for the year	-	2,199,847
Balance at 31 December 2003	<u>58,168</u>	<u>9,069,549</u>

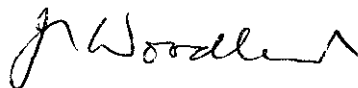


# MOLECULAR LIGHT TECHNOLOGY LIMITED

## CONSOLIDATED BALANCE SHEET 31 December 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible assets	10	<u>1,528,541</u>	<u>1,506,679</u>
<b>CURRENT ASSETS</b>			
Stocks	11	64,043	22,460
Debtors	12	1,208,354	976,813
Investments	13	3,066,145	2,734,439
Cash at bank and in hand		<u>1,505,530</u>	<u>495,345</u>
		5,844,072	4,229,057
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(887,994)</u>	<u>(508,989)</u>
<b>NET CURRENT ASSETS</b>		<u>4,956,078</u>	<u>3,720,068</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,484,619	5,226,747
<b>CREDITORS: amounts falling due after more than one year</b>	15	(25,936)	(5,156)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	17	<u>(185,851)</u>	<u>(187,403)</u>
<b>NET ASSETS</b>		<u><u>6,272,832</u></u>	<u><u>5,034,188</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	1,229	1,229
Share premium		58,168	58,168
Profit and loss account		<u>6,213,435</u>	<u>4,974,791</u>
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		<u><u>6,272,832</u></u>	<u><u>5,034,188</u></u>

These financial statements were approved by the Board of Directors on 7. 9. 2004  
Signed on behalf of the Board of Directors



Dr J S Woodhead  
Director

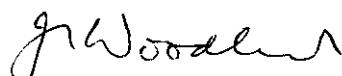
# MOLECULAR LIGHT TECHNOLOGY LIMITED

## PARENT COMPANY BALANCE SHEET 31 December 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Investments	9	<u>4,001,120</u>	<u>4,001,120</u>
<b>CURRENT ASSETS</b>			
Debtors	12	6,838,672	5,092,594
Cash at bank and in hand		88,288	10,449
Investments	13	<u>3,066,145</u>	<u>2,734,439</u>
		9,993,105	7,837,482
<b>CREDITORS: amounts falling due within one year</b>	14	<u>(4,865,279)</u>	<u>(4,909,503)</u>
<b>NET CURRENT ASSETS</b>		<u>5,127,826</u>	<u>2,927,979</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>9,128,946</u>	<u>6,929,099</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	1,229	1,229
Share premium account		58,168	58,168
Profit and loss account		<u>9,069,549</u>	<u>6,869,702</u>
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		<u>9,128,946</u>	<u>6,929,099</u>

These financial statements were approved by the Board of Directors on  
Signed on behalf of the Board of Directors

7. 9. 2004



Dr J S Woodhead  
Director

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2003

	Note	2003 £	2002 £
Net cash inflow from operating activities	22	1,419,662	926,616
<b>Returns on investments and servicing of finance</b>			
Interest and other investment income received		147,808	122,803
Interest paid		-	(5)
Interest paid on finance leases		(3,318)	(2,569)
<b>Net cash inflow from returns on investments and servicing of finance</b>		144,490	120,229
<b>Taxation</b>			
UK corporation tax paid		(222,247)	(615,247)
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(145,801)	(142,883)
Proceeds from sale of tangible fixed assets		16,938	-
<b>Net cash outflow from capital expenditure and financial investment</b>		(128,863)	(142,883)
<b>Equity dividends paid</b>		(61,450)	(62,700)
<b>Cash inflow before use of liquid resources and financing</b>		1,151,592	226,015
<b>Net cash outflow from management of liquid resources</b>		(120,088)	(11,820)
<b>Financing</b>			
Capital element of finance lease rental payments		(21,319)	(19,915)
<b>Net cash outflow from financing</b>		(21,319)	(19,915)
<b>Increase in cash in the year</b>	23, 24	1,010,185	194,280

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2003**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Turnover**

Turnover represents development programme income and licensing fees receivable and the sales value in respect of goods supplied during the year, after deduction of trade discounts and value added tax. Turnover includes rental income.

**Licensing fees**

Licensing fees receivable and payable are recognised in the profit and loss account in the period to which they relate. Licensing fees received or paid in respect of future periods are deferred until those periods.

**Basis of consolidation**

The group financial statements consolidate the financial statements of the company and all its subsidiaries.

**Investments**

Investments held as fixed assets are stated at cost less provision for impairment. Those held as current assets are stated at the lower of cost and net realisable value.

**Tangible fixed assets**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The estimated useful lives are as follows:

Computers	Over 4 years
Equipment	Over 10 years
Motor vehicles	Over 4 years
Freehold buildings and improvements	Over 50 years

**Pension costs**

The group operates a defined contribution pension scheme for directors and staff. Pension costs represent amounts payable on behalf of directors and staff to the scheme in respect of the accounting period.

**Patents and licences**

Expenditure on patents and licences is written off in the year in which it is incurred.

**Research and development**

Research and development expenditure is written off in the year in which it is incurred.

## NOTES TO THE ACCOUNTS

Year ended 31 December 2003

## 1. ACCOUNTING POLICIES (continued)

**Deferred taxation**

Deferred taxation is provided in full on timing differences that 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.

**Stocks**

Stocks are valued at the lower of cost and net realisable value.

**Leases**

Assets obtained under finance lease and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease rentals in proportion to the capital element outstanding.

**Foreign exchange**

All transactions denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transactions. Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

All exchange differences are dealt with through the profit and loss account.

**Grants**

Capital grants received are treated as deferred income, with transfers being made to the profit and loss account based on the expected useful lives of the related fixed assets. Revenue grants are credited to the profit and loss account in the same period as the related costs are charged to the profit and loss account.

## 2. TURNOVER

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

	2003 £	2002 £
Geographical analysis of turnover:		
United Kingdom	136,583	160,921
Europe	38,387	57,562
United States of America	4,101,114	3,612,456
Rest of the world	23,167	18,199
	<u>4,299,251</u>	<u>3,849,138</u>

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2003

### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2003 £	2002 £
<b>Directors' emoluments</b>		
Other emoluments	129,128	106,980
	<u>129,128</u>	<u>106,980</u>
Company contributions to money purchase and similar pension schemes in respect of directors' services	38,253	40,356
	<u>38,253</u>	<u>40,356</u>
Two of the directors are members of a defined contribution pension scheme (2002 - 2).		
	No.	No.
The average number of persons (including directors) employed by the group during the year was	31	22
	<u>31</u>	<u>22</u>
	£	£
<b>Staff costs incurred during the year in respect of these employees were</b>		
Wages and salaries	701,360	544,392
Social security costs	68,401	49,825
Other pension costs	112,070	88,643
	<u>881,831</u>	<u>682,860</u>

### 4. OPERATING PROFIT

	2003 £	2002 £
<b>Operating profit is after charging</b>		
Research and development	27,301	24,667
Exchange rate loss	51,958	1,632
Depreciation		
Owned assets	146,884	124,679
Leased assets	14,151	16,752
Auditors' remuneration		
Audit	14,500	11,500
Other services	18,500	9,750
	<u>3,475</u>	<u>-</u>
<b>And after crediting</b>		
Profit on disposal of fixed asset	3,475	-
	<u>3,475</u>	<u>-</u>

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2003

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	2003 £	2002 £
Finance lease and hire purchase contracts	3,318	2,574

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2003 £	2002 £
<b>Current taxation</b>		
United Kingdom corporation tax:		
Current tax on income for the year at 30% (2002 – 30%)	271,049	265,379
Adjustment in respect of prior years	(130,348)	-
	140,701	265,379
Deferred taxation	(1,552)	(16,959)
<b>Total current tax</b>	139,149	248,420

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	£	£
Profit on ordinary activities before tax	1,377,793	874,697
Tax on profit on ordinary activities before tax at 30%	(413,337)	(262,409)
<b>Factors affecting charge for the year</b>		
Capital allowances in excess of depreciation	(2,012)	(11,399)
Expenses not deductible for tax purposes	(8,081)	(6,640)
Movement in short-term timing differences	(216)	(217)
Utilisation of tax losses	(49,581)	(2,277)
Other deferred tax movements	64,085	(53,634)
Franked investment income	25,325	19,433
R&D relief	80,177	-
Rate differences on current tax	1,624	9,764
Prior year adjustment	130,348	42,000
Indexation on disposal of Treasury Stock	30,967	-
<b>Current tax charge for the year</b>	140,701	265,379

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2003

### 7. DIVIDENDS

	2003 £	2002 £
Ordinary shares		
Proposed dividend £nil per each class of ordinary share (2002 - £50 per share)	-	61,450

### 8. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these accounts. The parent company's profit for the financial year before tax amounted to £2,228,072 (2002 - £1,277,038).

### 9. INVESTMENTS HELD AS FIXED ASSETS

	The Group		The Company	
	2003 £	2002 £	2003 £	2002 £
Shares in group subsidiaries (note 19)	-	-	4,001,120	4,001,120

### 10. TANGIBLE FIXED ASSETS

	Freehold buildings £	Computers and equipment £	Motor vehicles £	Total £
<b>The Group</b>				
<b>Cost</b>				
At 1 January 2003	1,279,219	747,978	63,661	2,090,858
Additions in the year	-	144,656	53,265	197,921
Disposals in the year	-	(12,489)	(45,361)	(57,850)
At 31 December 2003	1,279,219	880,145	71,565	2,230,929
<b>Accumulated depreciation</b>				
At 1 January 2003	97,785	458,590	27,804	584,179
Charge for the year	25,584	116,365	19,086	161,035
Release on disposal	-	(10,928)	(31,898)	(42,826)
At 31 December 2003	123,369	564,027	14,992	702,388
<b>Net book value</b>				
At 31 December 2003	1,155,850	316,118	56,573	1,528,541
At 31 December 2002	1,181,434	289,388	35,857	1,506,679

The net book value of fixed assets includes £70,748 (2002 - £38,980) in respect of assets held under hire purchase agreements.



# MOLECULAR LIGHT TECHNOLOGY LIMITED

## NOTES TO THE ACCOUNTS Year ended 31 December 2003

### 11. STOCKS

	The Group		The Company	
	2003	2002	2003	2002
	£	£	£	£
Goods for re-sale	64,043	22,460	-	-

### 12. DEBTORS

	The Group		The Company	
	2003	2002	2003	2002
	£	£	£	£
Trade debtors	913,660	845,596	-	-
Amounts owed by subsidiaries	-	-	6,837,094	5,092,594
Other debtors	72,291	87,281	-	-
Prepayments and accrued income	49,187	43,936	1,578	-
Corporation tax	173,216	-	-	-
	<u>1,208,354</u>	<u>976,813</u>	<u>6,838,672</u>	<u>5,092,594</u>

### 13. INVESTMENTS HELD AS CURRENT ASSETS

	2003	2002
	£	£
<b>The Group and The Company</b>		
Investments – listed on recognised stock exchange in Great Britain	1,919,607	1,790,837
Cash deposits with terms in excess of seven days	<u>1,146,538</u>	<u>943,602</u>
	<u>3,066,145</u>	<u>2,734,439</u>
Market value of listed investments at 31 December	<u>1,939,927</u>	<u>1,997,962</u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2003**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>The Group</b>		<b>The Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Obligations under finance lease and hire purchase contracts	22,257	12,236	-	-
Trade creditors	351,762	64,041	-	-
Amounts owed to subsidiary undertakings	-	-	4,831,554	4,831,554
Corporation tax	157,049	65,379	28,225	10,999
Accruals and deferred income	28,100	32,058	5,500	5,500
Taxation and social security	312,826	19,913	-	-
Other creditors	16,000	253,912	-	-
Dividends payable	-	61,450	-	61,450
	<u>887,994</u>	<u>508,989</u>	<u>4,865,279</u>	<u>4,909,503</u>

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>The Group</b>		<b>The Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Obligations under finance lease and hire purchase contracts	<u>25,936</u>	<u>5,156</u>	<u>-</u>	<u>-</u>

**16. BORROWINGS**

	<b>The Group</b>		<b>The Company</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Obligations under finance lease and hire purchase contracts	<u>48,193</u>	<u>17,392</u>	<u>-</u>	<u>-</u>
The maturity of the above amounts is as follows:				
Within one year or on demand	22,257	12,236	-	-
Between one and two years	12,752	5,156	-	-
Between two and five years	13,184	-	-	-
	<u>48,193</u>	<u>17,392</u>	<u>-</u>	<u>-</u>

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

## NOTES TO THE ACCOUNTS

Year ended 31 December 2003

## 17. PROVISIONS FOR LIABILITIES AND CHARGES

	Balance at 1 January 2003 £	Credited to profit and loss account £	Applied £	Balance at 31 December 2003 £
Deferred taxation	187,403	-	(1,552)	185,851

The amounts of deferred taxation provided in the accounts are as follows:

	2003 £	2002 £
Accelerated capital allowances	185,851	187,403

## 18. CALLED UP SHARE CAPITAL

	2003 £	2002 £
<b>Authorised</b>		
645 "A" ordinary shares of £1.00 each	645	645
25 "B" ordinary shares of £1.00 each	25	25
153 "C" ordinary shares of £1.00 each	153	153
197 "D" ordinary shares of £1.00 each	197	197
209 "E" ordinary shares of £1.00 each	209	209
	<u>1,229</u>	<u>1,229</u>
<b>Called up and fully paid</b>		
645 "A" ordinary shares of £1.00 each	645	645
25 "B" ordinary shares of £1.00 each	25	25
153 "C" ordinary shares of £1.00 each	153	153
197 "D" ordinary shares of £1.00 each	197	197
209 "E" ordinary shares of £1.00 each	209	209
	<u>1,229</u>	<u>1,229</u>

The "A", "B", "C", "D" and "E" shares rank pari passu in all respects except that dividends may be recommended and declared on the "C" ordinary shares without a like dividend being voted on the other shares.

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 December 2003

### 19. ADDITIONAL INFORMATION ON SUBSIDIARIES

Subsidiary	Country of incorporation/registration and operation	Activity	Portion of ordinary shares held
Molecular Light Technology Research Limited	Wales	Development of immunodiagnostic technology	100%
Bioanalysis Limited	Wales	Development of immunodiagnostic technology	100%

### 20. RELATED PARTY TRANSACTIONS

Dr J S Woodhead and Dr I Weeks were amongst the original inventors of patents in respect of immunodiagnostic technology. Fifty per cent of monies paid to UWCM in respect of these patents is payable to the original inventors. Dr J S Woodhead and Dr I Weeks each receive 33.3% of amounts paid to the inventors. These payments continue in perpetuity.

Dr J S Woodhead and Dr I Weeks each received £193,174 from UWCM in respect of inventors' fees during the year to 31 December 2003 (2002 - £165,050).

### 21. PARENT COMPANY

The directors consider Gen-Probe Incorporated, a company registered in the United States of America, to be the ultimate parent undertaking and controlling party. Copies of the financial statements of Gen-Probe Incorporated can be obtained from the registered office of Molecular Light Technology Limited.

### 22. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003 £	2002 £
Operating profit	1,233,303	754,468
Depreciation on tangible fixed assets	162,596	141,431
(Increase)/decrease in stocks	(41,583)	26,409
Increase in trade debtors	(58,325)	(311,020)
Profit on disposal of fixed asset	(3,475)	-
Increase in trade creditors	338,764	154,547
Write-back of provision for diminution in value of investments	(211,618)	160,781
<b>Net cash inflow from operating activities</b>	<b>1,419,662</b>	<b>926,616</b>

# MOLECULAR LIGHT TECHNOLOGY LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 December 2003

### 23. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2003 £	2002 £
Increase in cash in the year	1,213,120	194,280
(Decrease)/increase in current asset investments	(82,847)	11,820
Cash to repay finance leases	21,319	19,915
	<hr/>	<hr/>
Change in net debt resulting from cash flows	1,151,592	226,015
Write-back/(provision) for diminution in investments	211,618	(160,781)
New finance leases	(52,120)	(12,200)
	<hr/>	<hr/>
Change in net funds	1,311,090	53,034
Net funds at 1 January	3,212,392	3,159,358
	<hr/>	<hr/>
Net funds at 31 December	<u>4,523,482</u>	<u>3,212,392</u>

### 24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2003 £	Cash flows £	Other non-cash changes £	At 31 December 2003 £
Cash at bank and in hand	495,345	1,010,185	-	1,505,530
Current asset investments	2,734,439	120,088	211,618	3,066,145
Finance leases	(17,392)	21,319	(52,120)	(48,193)
	<hr/>	<hr/>	<hr/>	<hr/>
	3,212,392	1,151,592	159,498	4,523,482
	<hr/>	<hr/>	<hr/>	<hr/>