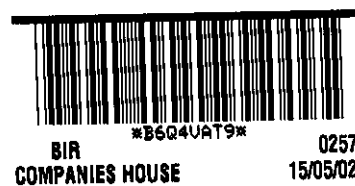




Silverdell Microbiology Limited

Annual report and accounts
for the year ended 30 September 2001

Registered number: 2605549



Directors' report

For the year ended 30 September 2001

The directors present their annual report on the affairs of the company together with the accounts and auditors' report for the year ended 30 September 2001.

Principal activities

The principal activity of the company comprised the provision of analytical testing and technical consultancy services to the food, water and related industries.

On 30 September 2001 the company transferred its trade and assets to Silliker Limited, its parent company, and has ceased to trade.

Results and dividends

The audited accounts for the year ended 30 September 2001 are set out on pages 5 to 16. The retained loss for the year was £66,980 (2000: profit of £12,229). This was after an exceptional cost of £54,860 (2000: £Nil). See note 4 for further details.

No dividends have been paid or proposed during the year (2000 – £19,000).

Directors and their interests

The directors who served during the year were as follows:

J Cloughton

R S Flowers

J Rias (appointed 4 January 2001)

G Belanger (resigned 4 January 2001)

None of the directors had any interests required to be disclosed under Schedule 7 of the Companies Act 1985.

Auditors

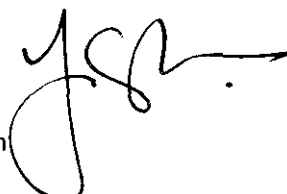
During the year, Baker Tilly resigned as auditors of the company and Arthur Andersen were appointed to fill the resulting vacancy. A resolution proposing their reappointment will be proposed at the annual general meeting.

Park Road
Overseal
Swadlincote
Derbyshire
DE12 6JT

By order of the Board

J Cloughton

Director



1 March 2002

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, 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 accounts; and
- prepare the accounts 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 accounts 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.

Independent Auditors' Report to the Shareholders of Silverdell Microbiology Limited

We have audited the financial statements of Silverdell Microbiology Limited for the year ended 30 September 2001 which comprise the Profit and Loss Account, the Balance Sheet and the related Notes numbered 1 to 21. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

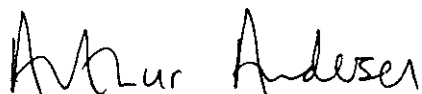
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, 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.

Independent auditors' report (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 30 September 2001 and of the company's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'Arthur Andersen', is written over a horizontal line.

Arthur Andersen

Chartered Accountants and Registered Auditors

Four Brindleyplace
Birmingham
B1 2HZ

1 March 2002

Profit and loss account

For the year ended 30 September 2001

	Notes	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Turnover	1	296,931	582,932
Cost of services		(249,578)	(408,497)
Gross profit		47,353	174,435
Operating expenses	2	(66,188)	(127,242)
Other income		-	500
Exceptional redundancy costs	4	(54,860)	-
Operating (loss) profit	3	(73,695)	47,693
Finance income (net)	5	172	1,615
(Loss) profit on ordinary activities before taxation		(73,523)	49,308
Tax on profit on ordinary activities	6	6,543	(18,079)
(Loss) profit on ordinary activities after taxation		(66,980)	31,229
Dividends paid and proposed on equity shares	8	-	(19,000)
Retained (loss) profit for the period	16	(66,980)	12,229

On 30 September 2001, the trade and assets of the company were transferred to Silliker Limited, its parent company, and all operations were discontinued under the name of Silverdell Microbiology Limited.

There are no recognised gains or losses in either period other than the (loss) profit for that period.

The accompanying notes are an integral part of this profit and loss account.

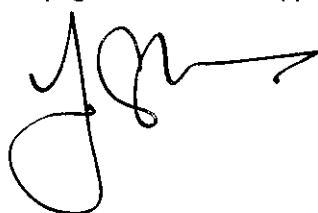
Balance sheet

30 September 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	9	-	34,702
Current assets			
Stocks and work in progress	10	-	10,043
Debtors	11	56,495	90,716
Cash at bank and in hand		-	36,945
		56,495	137,704
Creditors: Amounts falling due within one year	12	-	(47,384)
Net current assets		56,495	90,320
Total assets less current liabilities		56,495	125,022
Creditors: Amounts falling due after more than one year	13	-	(1,547)
Net assets		56,495	123,475
Capital and reserves			
Called-up share capital	15	50,000	50,000
Profit and loss account	16	6,495	73,475
Shareholders' funds		56,495	123,475
Shareholders' funds may be analysed as:			
Equity interests		26,495	93,475
Non-equity interests		30,000	30,000
		56,495	123,475

The accounts on pages 5 to 16 were approved by the board of directors on 1 March 2002 and signed on its behalf by:

J Cloughton



Director

1 March 2002

The accompanying notes are an integral part of this balance sheet.

Statement of accounting policies

30 September 2001

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding period are set out below.

Basis of accounting

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

The company has taken advantage of the exemption from presenting a cashflow statement afforded by FRS1 of the Companies Act 1985 because it is a wholly owned subsidiary of bioMérieux Alliance which prepares consolidated accounts which are publicly available.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on a straight-line basis to write off the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. It is calculated at the following annual rates:

Land and buildings	- straight line over the life of the lease
Fixtures, fittings and other equipment	- 3-5 years on cost
Motor vehicles	- 25% on cost
Laboratory equipment	- 7 years

Residual value is calculated based on prices prevailing at the date of acquisition.

Stocks and work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost is arrived at on a first in, first out basis. Net realisable value is based on the estimated selling price, less any further costs expected to be incurred to completion and disposal. Consumables, held for use in scientific testing, are valued at purchase price.

Leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis

Statement of accounting policies (continued)

Turnover

Turnover represents amounts receivable for services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Taxation

UK corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided using the liability method in respect of timing differences to the extent that it is probable that a liability or asset will reverse in the future.

Pension costs

Pension costs represent contributions payable to defined contribution pension schemes during the financial period in respect of certain employees. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Notes to accounts

1 Segmental analysis

Turnover, operating loss and operating net assets, all originate from the principal activities of the company in the UK.

Turnover by destination

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
United Kingdom	285,670	560,825
Europe	11,261	22,107
	<u>296,931</u>	<u>582,932</u>

2 Operating expenses

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Selling and distribution	3,998	7,395
Administration	62,190	119,847
	<u>66,188</u>	<u>127,242</u>

3 Operating loss

The operating result is stated after charging:

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Depreciation and amounts written off tangible fixed assets		
- owned	9,586	12,554
- held under finance leases and hire purchase contracts	2,040	4,075
Exceptional redundancy costs (see note 4)	54,860	-
Auditors' remuneration	2,500	2,700
Other operating lease rentals	<u>12,279</u>	<u>13,717</u>

Notes to accounts (continued)

4 Exceptional redundancy costs

As part of the transfer of trade and assets from Silverdell Microbiology Limited to its parent company, a number of redundancies were made, at a cost of £54,860 (2000: £Nil).

5 Finance income (net)

Investment income

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Income from other fixed asset investments	-	2,153
Interest receivable	394	1,615
	<u>394</u>	<u>3,768</u>

Interest payable and similar charges

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Bank loans and overdrafts	-	252
Finance leases and hire purchase contracts	224	1,901
	<u>224</u>	<u>2,153</u>

Finance income (net)

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Interest payable and similar charges	224	2,153
Less: Investment income	(394)	(3,768)
	<u>(172)</u>	<u>(1,615)</u>

Notes to accounts (continued)

6 Tax on loss on ordinary activities

The tax (credit) charge comprises:

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
UK Corporation tax at 30% (2000: 30%)	-	16,700
Adjustments in respect of prior periods		
- UK corporation tax	(6,543)	1,379
	<u>(6,543)</u>	<u>18,079</u>

7 Staff costs

The average monthly number of persons employed (including directors) was:

	Year ended 30 September 2001 Number	16 months ended 30 September 2000 Number
Selling and administration	4	4
Technical	6	8
	<u>10</u>	<u>12</u>

Their aggregate remuneration comprised:

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Wages and salaries	154,551	248,870
Social security costs	14,218	20,762
Pension costs	5,397	1,765
	<u>174,166</u>	<u>271,397</u>

Notes to accounts (continued)

7 Staff costs (continued)

The remuneration of the directors was as follows:

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Remuneration	-	54,965

During the year none of the directors were paid through this company, and no director (2000 – 1) was a member of a money purchase scheme.

8 Dividends paid and proposed on equity and non-equity shares

	Year ended 30 September 2001 £	16 months ended 30 September 2000 £
Final proposed of Nilp (2000 – 95p) per ordinary share	-	19,000

Notes to accounts (continued)

9 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, Fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 October 2000	3,857	53,924	37,696	16,171	111,648
Additions	-	7,540	-	-	7,540
Transferred to parent company	(3,857)	(61,464)	(37,696)	(16,171)	(119,188)
At 30 September 2001	-	-	-	-	-
Accumulated depreciation					
At 1 October 2000	1,243	43,527	24,734	7,442	76,946
Charge for the period	264	2,758	4,560	4,044	11,626
Transferred to parent company	(1,507)	(46,285)	(29,294)	(11,486)	(88,572)
At 30 September 2001	-	-	-	-	-
Net book value					
At 30 September 2001	-	-	-	-	-
At 30 September 2000	2,614	10,397	12,962	8,729	34,702

10 Stocks

	2001 £	2000 £
Consumables	-	10,043

Notes to accounts (continued)

11 Debtors

	2001 £	2000 £
Trade debtors	-	59,314
Other debtors and prepayments	-	11,402
Amounts owed by group undertakings	56,495	20,000
	<u>56,495</u>	<u>90,716</u>

12 Creditors: Amounts falling due within one year

	2001 £	2000 £
<i>Obligations under finance leases and hire purchase contracts</i>		
Trade creditors	-	2,468
Amounts owed to group undertakings	-	287
Taxation and social security	-	23,291
Other creditors and accruals	-	21,338
	<u>-</u>	<u>47,384</u>

13 Creditors: Amounts falling due after more than one year

	2001 £	2000 £
Obligations under finance leases and hire purchase contracts	<u>-</u>	<u>1,547</u>

Borrowings are repayable as follows:

	2001 £	2000 £
Finance leases		
Within one year	-	2,732
Between one and two years	-	1,594
	<u>-</u>	<u>4,326</u>
Interest allocated to future accounting periods	-	(311)
On demand or within one year	-	(2,468)
	<u>-</u>	<u>1,547</u>

Notes to accounts (continued)

14 Provisions for liabilities and charges

Deferred taxation provided and not provided are as follows:

	Provided		Not provided	
	2001 £	2000 £	2001 £	2000 £
Accelerated capital allowances	-	-	380	1,076

15 Called-up share capital

	2001 £	2000 £
<i>Authorised</i>		
70,000 ordinary shares of £1 each	70,000	70,000
30,000 7.5% redeemable preference shares of £1 each	30,000	30,000
	<u>100,000</u>	<u>100,000</u>
<i>Allotted, called up and fully paid</i>		
20,000 ordinary shares of £1 each	20,000	20,000
30,000 7.5% redeemable preference shares of £1 each	30,000	30,000
	<u>50,000</u>	<u>50,000</u>

The 7.5% redeemable preference share may be redeemed at the choice of the company on or after 1 January 2000. The company is entitled to purchase the whole of the preference share holding allotted and outstanding on 1 January 2005. There is no premium payable on redemption.

16 Reserves

	Profit and loss account £
At 1 October 2000	73,475
Loss for the financial year	(66,980)
At 30 September 2001	<u>6,495</u>

Notes to accounts (continued)

17 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
(Loss) profit on ordinary activities after taxation	(66,980)	31,229
Dividends paid	-	(19,000)
Opening shareholders' funds	123,475	111,246
Closing shareholders' funds	56,495	123,475

18 Financial commitments

a) Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2001		2000	
	Land and buildings £	Other £	Land and buildings £	Other £
Expiry date: after five years	12,279	-	10,450	-

b) Pension arrangements

The company is party to a defined contribution pension scheme for the benefit of eligible employees of Silverdell Microbiology Limited, the assets of which are held in separate trustee administered funds.

Pension costs charged to the profit and loss account in the year were £5,397 (2000: £1,765).

19 Ultimate parent company and controlling party

The directors regard the ultimate parent undertaking of this company at 30 September 2001 to be bioMérieux Alliance, a company registered in France. Consolidated accounts are available to the public from bioMérieux Alliance, Chemin de l'Orme, 69280 Marcy l'Etoile, France.

20 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 8, which does not require disclosure of transactions between a subsidiary undertaking and other Silliker group undertakings as 100% of the company's voting rights are controlled within the immediate group.

21 Prior year comparatives

The 30 September 2000 figures are shown for comparative purposes only and were audited by a firm of chartered accountants other than Arthur Andersen.