



Bio-Rad Laboratories Limited

Accounts 31 December 2000
together with directors' and auditors' reports

Registered number: 3044694



Directors' report

For the year ended 31 December 2000

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 2000.

Principal activity and business review

The principal activity of the company is that of selling chemicals, infra-red spectra of chemical compounds and equipment for medical and research purposes.

The company continues to pursue its principal activities and the directors expect the general level of activity to continue.

Results and dividends

The company's profit for the year after taxation was £726,000 (1999: £260,000). The directors do not recommend payment of a dividend (1999: £nil).

Directors

The directors who served during the year were:

D Schwartz (Resident in the United States of America)

DW Forrester

Dr BA Zabin (Resident in the United States of America)

None of the directors had any beneficial interests in the shares of the company during the year which require disclosure under Schedule 7 of the Companies Act 1985.

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 company's profit or loss for that period. 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.

Directors' report (continued)

Directors' responsibilities (continued)

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.

Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as the company's auditors for the ensuing year.

Bio-Rad House
Maylands Avenue
Hemel Hempstead
Hertfordshire
HP2 7TD

By order of the Board



DW Forrester
Director

3 May 2002

To the Shareholders of Bio-Rad Laboratories Limited:

We have audited the accounts of Bio-Rad Laboratories Limited for the year ended 31 December 2000 which comprise the Profit and loss account, the Balance sheet, and the related notes numbered 1 to 16. These accounts have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the accounts 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 accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 accounts, 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Auditors' report



Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 December 2000 and of the company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen

Arthur Andersen

Chartered Accountants and Registered Auditors

180 Strand

London

WC2R 1BL

3 May 2002

Profit and loss account

For the year ended 31 December 2000

	Notes	2000 £000	1999 £000
Turnover	1	27,343	18,979
<i>Cost of sales</i>		<u>(17,897)</u>	<u>(11,278)</u>
Gross profit		9,446	7,701
Other operating expenses	2	<u>(7,928)</u>	<u>(7,219)</u>
Operating profit		1,518	482
Finance charges (net)	3	<u>(173)</u>	<u>(47)</u>
Profit on ordinary activities before taxation	4	1,345	435
Tax on profit on ordinary activities	6	<u>(619)</u>	<u>(175)</u>
Retained profit for the year		726	260
Retained profit, beginning of year		<u>1,289</u>	<u>1,029</u>
Retained profit, end of year		<u>2,015</u>	<u>1,289</u>

All results were derived from continuing operations.

There are no recognised gains or losses in either year other than the profit for that year.

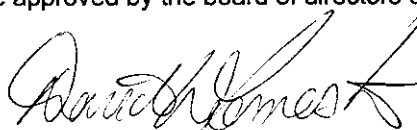
The accompanying notes are an integral part of this profit and loss account.

Balance sheet

31 December 2000

	Notes	2000 £000	1999 £000
Fixed assets			
Tangible assets	7	<u>751</u>	<u>784</u>
Current assets			
Stocks	8	1,885	1,853
Debtors	9	8,455	6,395
Cash at bank and in hand		<u>622</u>	<u>479</u>
		10,962	8,727
Creditors: amounts falling due within one year	10	<u>(7,174)</u>	<u>(5,735)</u>
Net current assets		<u>3,788</u>	<u>2,992</u>
Total assets less current liabilities		4,539	3,776
Creditors: amounts falling due after more than one year	11	(2,260)	(2,260)
Provisions for liabilities and charges	12	<u>(164)</u>	<u>(127)</u>
Net assets		<u>2,115</u>	<u>1,389</u>
Capital and reserves			
Called-up share capital	13	100	100
Profit and loss account		<u>2,015</u>	<u>1,289</u>
Equity shareholders' funds	14	<u>2,115</u>	<u>1,389</u>

The accounts on pages 5 to 14 were approved by the board of directors on *3 May* 2002 and signed on their behalf by:



DW Forrester
Director

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

Statement of accounting policies

31 December 2000

The principal accounting policies are summarised below. They have all been applied consistently during the year and the preceding year.

Basis of accounting

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

A cash flow statement has not been prepared as the company has taken advantage of the exemption available to companies within Financial Reporting Standard 1 (revised) whereby a wholly owned subsidiary undertaking, need not produce a cash flow statement if the consolidated accounts of its parent undertaking 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 all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset, over their estimated useful lives, as follows:

Leasehold improvements	- over the life of the lease
Fixtures, fittings, equipment and motor vehicles	- 10%-50%

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

Stocks

Stocks consist of goods held for resale and are valued at the lower of cost and net realisable value. Cost comprises purchase price from suppliers determined on a first-in, first-out basis plus freight and duty charges. Net realisable value is based on estimated normal selling price less further costs expected to be incurred upon disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Taxation

UK Corporation tax is provided at amounts expected to be paid (or recovered) 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 on all timing differences only to the extent that they are expected to reverse in the future without being replaced.

Turnover

Turnover comprises the amount receivable for goods and services supplied in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the profit and loss account.

Statement of accounting policies (continued)

Pension costs

The company participates in a defined contribution pension scheme. The amount charged to the profit and loss account represents the amount of contributions payable by the company to the pension scheme in respect of the period. The assets are held separately from those of the company in an independently administered fund.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Leases

Rentals under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

Related party transactions

The company has taken advantage of the exemption available in Financial Reporting Standard 8 whereby a subsidiary undertaking, 90% of whose voting rights are controlled within the group, need not disclose transactions with entities which are part of the same group.

Notes to accounts

1 Segment information

The turnover and profit on ordinary activities before taxation are attributable to one activity, the sale of chemicals and equipment for medical and research purposes. All turnover was generated in the United Kingdom. The analysis of turnover by destination is given below:

	2000 £000	1999 £000
United Kingdom	15,552	10,148
Europe	8,453	6,784
Middle East	2,357	1,542
Africa	366	332
Other	615	173
	<u>27,343</u>	<u>18,979</u>

2 Other operating expenses

	2000 £000	1999 £000
Distribution costs	7,076	6,633
Administrative expenses	852	586
	<u>7,928</u>	<u>7,219</u>

3 Finance charges (net)

	2000 £000	1999 £000
<i>Investment income</i>		
Bank interest income	<u>15</u>	<u>15</u>

	2000 £000	1999 £000
<i>Interest payable and similar charges</i>		
Other loans	<u>188</u>	<u>62</u>

	2000 £000	1999 £000
<i>Finance charges (net)</i>		
Interest payable and similar charges	188	62
Less: Investment income	<u>(15)</u>	<u>(15)</u>
	<u>173</u>	<u>47</u>

Notes to accounts (continued)

4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):	2000	1999
	£000	£000
Depreciation and amounts written off owned tangible fixed assets – owned	536	327
Operating lease rentals		
- plant and machinery	11	15
- other	239	209
Exchange (gains)/losses	75	(10)
	<hr/>	<hr/>

Audit fees in respect of 2000 and 1999 were borne by the ultimate parent company. Amounts payable to Arthur Andersen by the company in respect of non-audit services were £33,600 (1999: £27,598).

5 Staff costs

The average monthly number of employees (including directors) was:	2000	1999
	Number	Number
Administration	11	10
Sales and distribution	80	67
	<hr/>	<hr/>
	91	77
	<hr/>	<hr/>

Their aggregate remuneration comprised:	2000	1999
	£000	£000
Wages and salaries	2,414	2,067
Social security costs	242	199
Other pension costs (see note 15d)	84	68
	<hr/>	<hr/>
	2,740	2,334
	<hr/>	<hr/>

<i>Directors' remuneration</i>	2000	1999
	£000	£000
Emoluments	167	127
Company contributions to money purchase pension schemes	7	4
	<hr/>	<hr/>
	174	131
	<hr/>	<hr/>

	2000	1999
	Number	Number
Number of directors who are members of money purchase pension schemes	1	1
	<hr/>	<hr/>

Notes to accounts

6 Tax on profit on ordinary activities

The tax charge comprises:

	2000 £000	1999 £000
UK Corporation tax	480	290
Adjustments in respect of prior years		
- current taxation	139	(115)
	<u>619</u>	<u>175</u>

In 1999 corporation tax amounting to £96,000 was eliminated by the transfer of operating losses from a fellow subsidiary company which were surrendered under the group relief provisions, without any corresponding payment.

7 Tangible fixed assets

	Leasehold improvements £000	Fixtures fittings and equipment £000	Total £000
Cost			
1 January 2000	126	1,548	1,674
Additions	2	518	520
Disposals	-	(38)	(38)
31 December 2000	<u>128</u>	<u>2,028</u>	<u>2,156</u>
Depreciation			
1 January 2000	61	829	890
Charge for the year	11	525	536
Disposals	-	(21)	(21)
31 December 2000	<u>72</u>	<u>1,333</u>	<u>1,405</u>
Net book value			
31 December 2000	<u>56</u>	<u>695</u>	<u>751</u>
31 December 1999	<u>65</u>	<u>719</u>	<u>784</u>

8 Stocks

	2000 £000	1999 £000
Finished goods and goods for resale	<u>1,885</u>	<u>1,853</u>

Notes to accounts (continued)

9 Debtors

	2000 £000	1999 £000
Amounts falling due within one year:		
Trade debtors	6,649	4,861
Amounts owed by group undertakings	1,615	1,093
VAT recoverable	-	319
Prepayments and accrued income	191	122
	<u>8,455</u>	<u>6,395</u>

10 Creditors: Amounts falling due within one year

	2000 £000	1999 £000
Trade creditors	213	147
Amounts owed to group undertakings	5,608	4,461
UK corporation tax	282	208
Other taxes and social security	166	136
Other creditors	270	227
Accruals and deferred income	635	556
	<u>7,174</u>	<u>5,735</u>

11 Creditors: Amounts falling due after more than one year

	2000 £000	1999 £000
Amounts owed to group undertakings	<u>2,260</u>	<u>2,260</u>

12 Provision for liabilities and charges

	Warranties £000
At start of year	127
Utilised in year	(260)
Increase in provision in the year	297
At end of year	<u>164</u>

The company has a potential deferred tax asset of £109,000 (1999: £66,000), representing the excess of book depreciation over tax allowances on tangible fixed assets, which has not been recognised in these accounts.

Notes to accounts (continued)

13 Called-up share capital

	2000 £000	1999 £000
<i>Authorised, allotted, called-up and fully paid</i>		
100,000 ordinary shares of £1 each	100	100

14 Reconciliation of movement in equity shareholders' funds

	2000 £000	1999 £000
Opening equity shareholders' funds	1,389	1,129
Profit for the financial year	726	260
Closing equity shareholders' funds	2,115	1,389

15 Guarantees and other financial commitments

a) Capital commitments

There were no capital commitments at either year end.

b) Lease commitments

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

	2000 £000	1999 £000
Expiry date		
- within one year	38	28
- between two and five years	163	137
	201	165

c) Contingent liabilities

The company has made a Duty Deferment Guarantee to HM Customs and Excise of £400,000 (1999: £400,000).

d) Pension arrangements

The company participates in a defined contribution pension scheme. The pension cost charge for the year was £84,123 (1999: £68,000). At the end of the period there was an accrual for contributions of £Nil (1999: £15,508).

Notes to accounts (continued)

16 Ultimate parent company

The company is a wholly-owned subsidiary undertaking of Bio-Metrics (UK) Limited, registered in England and Wales.

The ultimate parent company and largest group in which the results of the company are consolidated is that headed by Bio-Rad Laboratories Inc., incorporated in the United States of America. The consolidated accounts of this group are available to the public and may be obtained from 1000 Alfred Noble Drive, Hercules, California 94547, USA.

The smallest group in which the results of the company are consolidated is that headed by Bio-Metrics (UK) Limited. The consolidated accounts of this group are available to the public and may be obtained from Bio-Rad House, Maylands Avenue, Hemel Hempstead, Hertfordshire, HP2 7TD.

The ultimate controlling party of the group is D Schwartz.